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TODAY: HEALTH SCIENCE Separate Mystery, Page 10

Veterans in Japan Haunted by Atrocities

Besieged by Their Memories, They Painfully Recount the War

By Nicholas D. Kristof
New York Times Service

OMIYA, Japan — Nearly six decades have passed, but when Shinzaburo Horie sees a baby he still cringes inside, and his mind replays the indelible scene of himself as a young soldier in China, thrusting his bayonet through the chest of a Chinese infant.

Mr. Horie says the killing was unintentional, but the memories follow him everywhere, and he has never mustered the courage to tell even his wife. Nor has he ever told her how as a young soldier, equally inadvertently, he ate the flesh of a 16-year-old Chinese boy.

"I can't forget the fact that I ate a human being," said Mr. Horie, a lean 79-year-old farmer whose hands trembled as he excavated his war memories. "It was only one time, and not so much meat, but after 60 years I can't put it behind me."

Old men like Mr. Horie all across Japan are still besieged by memories of what they did, and no treaty can end the conflict in their minds and dreams. World War II has also been impossible to lay to rest because disputes about it remain a major cause of friction in East Asia.

China and North and South Korea, for example, want Japan to make a clearer apology for aggression and to pay the individuals whom it brutalized during the war. Just recently, a new quarrel broke out between Japan and South Korea over the Japanese government's refusal to pay official compensation to the Imperial Army's former sex slaves in Korea.

Yet while nothing in this century has so transformed Japan as the war and its aftermath, discussions of it remain a virtual taboo in many families. Of course, veterans in all countries are often reluctant to talk about their worst memories, but in Japan many young people have no idea that Grandpa even went to war.

Old men are now taking their war secrets with them to the grave here in Omiya, a farm town of 5,700 people set in the jutting hills of Mie Prefecture almost 320 kilometers (200 miles) southwest of Tokyo.

The men — and to a lesser extent, the women — who endured the war years are often deeply upset that young people know so little about those wrenching times, yet they feel unable to open their hearts to those who were not there.

"My story is nothing to be proud of," said Mr. Horie, who was deeply agitated as he spoke about his role in the war. "So I don't think I should talk too much about it."

Over all, looking at Mr. Horie's generation, it would be difficult to imagine more upstanding people who did worse things.

From the time they invaded Northeast China in 1931 and the rest of China in 1937, through World War II, Japanese troops massacred civilians, tortured captives and raped girls almost everywhere they went, and yet those same men — now graying at the temples, raising wrinkled hands to the ear — are unfailingly courteous, gentle and honest.

They are deeply respected in their communities, and everyone knows they would never think of cheating anybody or losing their tempers.

Yet they collectively killed 20 million or 30 million people.

Paradoxically, a decency shines through even as they talk about the things they did, for at least in Omiya

See JAPAN, Page 4

New Blast Spreads Fear in Algeria

Agence France Presse

A woman crossing Wednesday near a parking barrier set up in Algiers to guard against car-bombings. Civilians patrolled the streets, and a new bombing to the south reportedly killed five people. Page 6.

EU's Real Target To Move East: 2002

Even That Date Is Optimistic, And Not for All 10 Candidates

By Tom Buerkle
International Herald Tribune

BRUSSELS — In a misstep that sparked concern across Eastern Europe, the European Commission let slip its belief Wednesday that the European Union would not include former Warsaw Pact members before 2002 and that only some of the 10 candidate countries would qualify.

The incident underscored growing concern across Europe about enlargement of the 15-nation organization.

Many current EU members fear that enlargement will cost huge sums and dilute the bloc's political cohesion, and many Eastern countries feel they are being kept waiting unfairly while the EU focuses on constitutional reform and monetary union. The risk, European and U.S. officials say, is that a significant delay in enlargement could undermine support in Eastern Europe for the painful measures required for the transition to free-market economies.

The European Commission attempted to retract its statement after Poland's foreign minister reacted by reaffirming Warsaw's goal of entering the EU by 2000, an ambition widely shared by former Communist countries. But commission officials and EU diplomats acknowledged that the EU would have difficulty meeting even a target date of 2002 and that the first group of countries to join was likely to be a small one.

The incident started when the commission said in a statement on enlargement that the likely length of membership negotiations, which are scheduled to start early next year, and subsequent ratification procedures meant that "the earliest realistic date for the first accession is likely to be no earlier than 2002."

Hours later, the commission, the EU's executive agency, backtracked, calling the release of the statement "erroneous" and "regrettable" and restating the official position that no date could be forecast beyond the start of negotiations. The EU currently has scheduled them for early 1998. Unfortunately for the Union, Hans van den Broek, its commissioner for enlargement, had as much as confirmed the 2002 date at an informal seminar of the EU and the North Atlantic Treaty Organization on Tuesday.

In a clear reference to President Jacques Chirac of France, who told Hungarian leaders last week that he hoped to see them join the EU by 2000, Mr. van den Broek said politicians who made such forecasts "know too little about enlargement."

While he declined to mention a date himself, he told one EU diplomat who predicted the first new Eastern members would join in 2002 or 2003, "I don't disagree with you." The 10 countries under consideration are Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Romania, Bulgaria, Latvia, Lithuania and Estonia. A European diplomat, who pointed out that it had taken

See EUROPE, Page 6

Tackling Rugged Terrain

Japan Targets U.S. Sport-Utility Car Buyers

By Keith Bradsher
New York Times Service

DETROIT — Clutching a white plastic shopping bag full of car brochures, Carolyn Spicer, 52, a credit-union manager, stood at the North American International Auto Show here and carefully studied the light gray Jeep-like Honda CR-V on the platform.

After looking at it from the front and the side, she guessed it would sell for $25,000 when it went on sale next month, so she was surprised to learn that the price would be $19,300 for a well-equipped model.

"If they keep that price," she said, "it's going to really go."

That is exactly the reaction Honda has been hoping for, and precisely the one that Detroit fears.

After years of limited success, non-U.S. automakers are staging an all-out assault on America's sizzling market for sport-utility vehicles, the crown jewels of Detroit's Big Three car companies.

With such imports as the CR-V accounting for most of the new offerings, and with the dollar soaring to nearly a four-year high against the yen and climbing against the Deutsche mark, non-U.S. automakers appear poised for big sales gains in the United States.

In the next four years, at least 17 Japanese or European companies plan to introduce four-wheel-drive sport-utility models into a market now dominated by Chrysler's Jeeps, Ford's Explorers and Expeditions and GM's giant Suburbans, Tahoes and Yukons. This surge is a clear

See CARS, Page 6

Yeltsin Goes To Kremlin, Stalling Vote To Oust Him

By David Hoffman
Washington Post Service

MOSCOW — The lower house of Parliament on Wednesday first tentatively approved a resolution seeking to oust President Boris Yeltsin because of ill health, but then balked and put it on hold after Mr. Yeltsin made an unexpected return to the Kremlin.

The action by the State Duma, in which the Communists are the largest single faction, suggested there may not be enough support in the 450-member chamber to pass the measure, although backers said they would try again next month. Mr. Yeltsin's sudden decision to come to work only two days after leaving the hospital after a bout of pneumonia underscored the Kremlin's sensitivity to criticism of the ailing leader.

Mr. Yeltsin's surprise return was not shown on television, in contrast to prominent attention given to his Dec. 23 reappearance after heart surgery. But his press service said the president went to the Kremlin at 11:30 A.M. from his suburban Moscow residence to meet Prime Minister Viktor Chernomyrdin. The Duma vote came later in the afternoon.

Recently, Mr. Yeltsin's doctors had said he would need several more weeks of recovery at home before going back to work. The "moderately grave" pneumonia was diagnosed after Mr. Yeltsin's initial recuperation from a quintuple coronary artery bypass operation on Nov. 5.

One of his doctors, Andrei Vorobyov, who in the past has been extremely reluctant to publicly discuss Mr. Yeltsin's health, denounced the Duma on Wednesday, accusing them of forcing Mr. Yeltsin back to work prematurely. According to the Interfax news agency, Dr. Vorobyov said he was astonished at "the uproar and mayhem raised by the members around an elementary case of pneumonia which is ubiquitous in the country now."

He added, "I dislike the Duma very much because I regard its activity as very unproductive, very defiant and very uncivilized. Now the head of state will start work earlier than he should have, as he did after very serious heart surgery."

Dr. Vorobyov, identified as scientific director of a council of doctors advising Mr. Yeltsin, said the president "ex-

See YELTSIN, Page 6

Top Polish General Battles NATO's Cost: Civilian Rule

By Jane Perlez
New York Times Service

WARSAW — As Poland gears up to convince Washington that it meets one of the conditions for joining NATO — having its military under civilian control — the top commander, a general trained in Moscow, is resisting the reduction in his authority, according to a senior Polish defense official and Western diplomats.

The senior defense official, Andrzej Karkoszka, deputy defense minister, acknowledged in an interview that the chief of general staff, General Tadeusz Wilecki, was fighting rules that give civilians in the ministry the final say.

The regulations, drawn up by the deputy minister, went into effect in December.

The general "would like to be on his own, as he was," said Mr. Karkoszka, who has had public disputes with the general.

He said that he also has had private arguments with President Aleksander Kwasniewski over whether to keep General Wilecki in charge of the military.

["Obviously the general staff, which was affected the most strongly by the army reforms, cannot be happy about it," Mr. Karkoszka told The Associated Press in Warsaw.

[But, he added, "It has all been settled and we reached an agreement. The regulations could not have been put into life without the consent of General Wilecki." He "accepted the new rules, is implementing them and acting accordingly," Mr. Karkoszka said.]

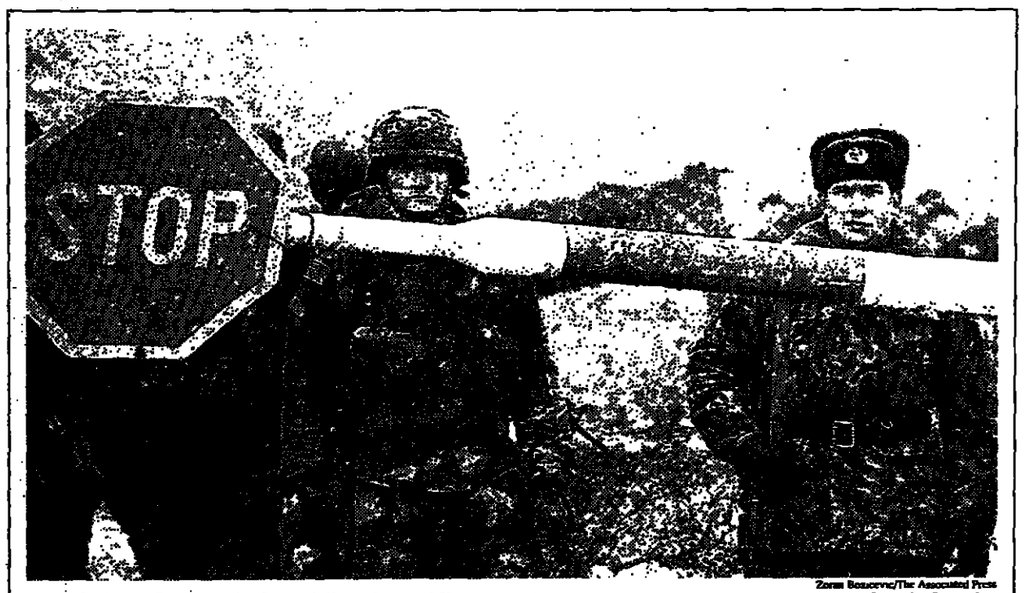
Under the new regulations, Mr. Karkoszka said, "despite what the generals say, the final word must come from the minister," Stanislaw Dobrzanski.

"We say finances, logistical planning, promotions, structural changes should be done in the civilian department of defense," Mr. Karkoszka said. "This is very difficult to execute, I admit." The Defense Ministry previously served purely administrative functions.

Diplomats said that the general's objections had delayed formal publication of the new civilian control regulations and added that so far diplomats had been briefed about the rules but not presented with them. They are technically in effect, the diplomats said.

The 16-member North Atlantic Treaty Organization is expected to announce in July that Poland, the Czech

See POLAND, Page 6



Zoran Bozicevic/The Associated Press

CHECKPOINT — A U.S. and Russian soldier guarding a roadblock Wednesday near Koraj, Bosnia. Soldiers were keeping Serbs away from Muslims, who were trying to return to their homes. Under an accord between the UN refugee agency and the multinational force, Muslims were to be allowed to return.

How to Shock a Mexican Politician: Assail Adultery

By Sam Dillon
New York Times Service

MEXICO CITY — A prominent politician caused a sensation recently when he called on newly elected public officials from his opposition party to be not just scrupulous in their husbandry of government funds but also faithful in their role as husbands.

Women who heard the speech by Andres Lopez Obrador, president of the Democratic Revolutionary Party, applauded. Men in the audience cleared their throats and squirmed. Over the weeks since, some male politicians have been muttering their view that the speech violated the proper separation between private and political worlds.

One social scientist said Mr. Lopez Obrador's incursion into sexual politics reflected a profound recent evolution in Mexican sexuality. Another writer saw it as part of a backlash against the scandals of the Carlos Salinas de Gortari presidency, which ended in 1994.

But few Mexicans would venture that adultery, which has been a male prerogative and a statistical norm here, is really on the wane.

"Our presidencies go through cycles," said Guadalupe Loaeza, a journalist who specializes in Mexican mores and manners. "One man is frivolous, the next a moralist. Now we're living a post-Salinas moral crisis, and this speech is a reaction. But there's been no fundamental change. Men here are still like little boys playing their pranks: they cheat on their wives, and then betray one lover for another. Adultery is still a national sport. Mexico is still a complete cheat-fest."

If infidelity continues apace, however, at least one of its classic institutions is in decline: the *casa chica*, the "little home" acquired by many men to maintain mistresses and often illegitimate children as well. In a Roman Catholic society in which divorce is dis-

See MEXICO, Page 6

Publish — and Be Damned

British Ministry Imposes Ban for Books on Elite Force

By Fred Barbash
Washington Post Service

LONDON — The British military's Special Air Service is one of the world's most elite and renowned fighting and anti-terrorist forces. It was also one of the most secret, until a few years ago when former members, including its former leader, started publishing their memoirs — to the great annoyance of the British military.

The military, having failed to muzzle the veterans by dissuasion, denunciation or legal action, announced Wednesday that it would invoke a truly special force: shunning.

Henceforth, it said, any former SAS member who publishes a book on the unit will be banned from entering SAS bases, meaning they can no longer attend SAS reunions, dinners, commemorative services or to just go and chat with their former comrades in arms.

The ban will apply to veterans of all ranks, meaning that the nation's most decorated living soldier, retired General Sir Peter de la Billiere, 62, will no longer be welcome at the table of the fighting force he once led. Embarrassingly, while he was insisting it did not apply to him, a ministry spokesman was stressing the word "anyone."

An informal ban had already been imposed by current SAS officers on Andy McNab, the pseudonym of the

See SHUNNED, Page 6

The Associated Press

General Sir Peter de la Billiere is a target of the Defense Ministry ban.

The Dollar

New York	Wednesday close	previous close
DM	1.6409	1.6297
Pound	1.6363	1.6637
Yen	118.935	117.915
FF	5.5388	5.496

The Dow

	Wednesday close	previous close
-33.87	6850.03	6883.90

S&P 500

change	Wednesday close	previous close
+3.51	786.23	782.72

Newsstand Prices

Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R.
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 150.	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim $30.00

AGENDA

Italy Votes Constitutional Panel

ROME (Reuters) — Italy's lower house of Parliament on Wednesday voted, 534 to 70, to create a special commission to draft proposed constitutional reforms to end the country's instability.

The vote was the fourth ballot in six months of parliamentary wrangling over the plan. It leaves the 70-member commission, formed from both houses of Parliament, just five months to come up with a draft.

Albright and Cohen Confirmed by Senate

The U.S. Senate on Wednesday gave its blessing to President Bill Clinton's selection of Madeleine Albright as secretary of state and William Cohen as defense secretary. Both were confirmed by votes of 99 to 0, but senators took the opportunity to criticize U.S. foreign policy. Page 3.

PAGE TWO
Victims of Qana Are Not Forgotten

THE AMERICAS Page 3.
U.S. Approves Drug Testing Kit

Books ..... Page 9.
Crossword ..... Page 9.
Opinion ..... Pages 8-9.
Sports ..... Pages 18-19.

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'It Is Our Turn Now' / **Victims of Shelling Mourned Daily**

West Bank Deal Resonates in Lebanon

By John Lancaster
Washington Post Service

QANA, Lebanon — As memorials go, theirs is neither beautiful nor grand. They lie in unmarked graves, capped with cinder blocks and crudely poured cement, in an asphalt parking lot just steps from the United Nations compound where they died last April 18.

But the victims of Qana have not been forgotten.

Every day, the grave site is visited by people like Nariman Jaber, who stops by with friends on the way to school to read the Fatha, the opening verse of the Koran.

"We'll never forget, because I can see the families of the people who died and how they feel," the teenager said. "They don't just read the Koran. They come and cry here."

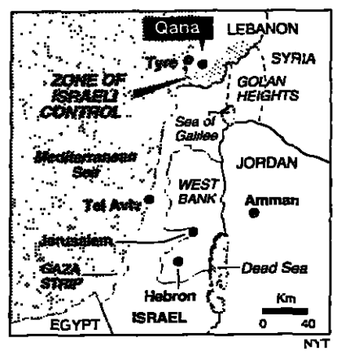
The grave site holds the remains of 99 to 101 Lebanese — many of them women and children — killed when 16 Israeli artillery shells slammed into the UN compound where they had taken refuge during Operation Grapes of Wrath, Israel's effort to curb rocket attacks on its territory by Shiite Muslim guerrillas in southern Lebanon. Some of the bodies were too badly mangled to permit an accurate count of the dead.

The makeshift mausoleum is a somber counterpoint to the generally upbeat mood that surrounded the partial Israeli troop withdrawal from the West Bank city of Hebron this month.

With its fading silk flowers and curling snapshots of the dead, the grave site is a powerful reminder of the continuing conflict between the guerrillas and Israeli troops who occupy a portion of southern Lebanon to prevent its use as a launching point for attacks on northern Israel.

Abdallah Bemy/Reuters

A father crying out in grief at the mass funeral for the victims in Qana. The grave site is a powerful reminder of the continuing conflict between guerrillas and Israeli troops.



BUT the West Bank deal has not gone unnoticed here. Still struggling to rebuild their country after the 15-year civil war that ended in 1990, Lebanese are scrutinizing the agreement for signs that the conservative prime minister of Israel, Benjamin Netanyahu, might be contemplating a deal with Syria and Lebanon.

"It is our turn now, no question about it, now that this deal is done," said Jamil Mroue, publisher of the English-language Beirut Daily Star, which recently reappeared after a long hiatus.

After so many disappointments, Lebanese are wary of good news. Some fear that having improved his relations with the Palestinians, at least temporarily, Mr. Netanyahu could feel freer to turn up the heat on Damascus — by stepping up attacks on the Hezbollah guerrillas waging proxy war on its behalf. Syria dominates Lebanon politically and militarily, and the two function as one so far as Israel is concerned.

"Every day there's shelling, and we're living on our nerves," said Hala Ali Ifruni, whose elder brother died in the Qana attack.

"We are unable to sleep, believe me, after this war. People don't want to stay in the south after what they've seen." But she said the Hebron agreement had given her reason to hope.

"It made me feel that maybe there will be a deal in the south," she said while visiting her brother's grave with an infant daughter balanced on her hip. "God willing, there will be no more massacres."

Israeli military officials said the shelling of Qana was accidental, that Israeli gunners had been trying to hit a spot near the UN compound from which Lebanese guerrillas had fired rockets. A UN report called that explanation "unlikely" but did not rule it out.

After the United States and France intervened diplomatically, Syria and Lebanon pledged that guerrilla groups would refrain from firing rockets into northern Israel or launching attacks from civilian settlements and Israel pledged not to retaliate for attacks on its forces by striking near civilian areas.

Monitored by teams of U.S. and French diplomats working out of Nicosia, the arrangement thus far has prevented the tit-for-tat strikes on civilian areas that culminated in Israel's offensive in April.

"All parties seem very keen to uphold the understanding, including Hezbollah," said Mikael Lindvall, a spokesman for the UN peacekeeping force in Lebanon. "No one wants to be the first to break it up."

But the situation remains volatile, with frequent clashes between Hezbollah guerrillas and Israeli forces and their allied Lebanese militia.

WOUNDS are still raw in Qana, a hilltop village overlooking the Mediterranean. Pictures of mutilated children adorn a billboard next to the burial site.

A hand-lettered sign compares the Israeli attack to the Holocaust. A nearby photo shop, meanwhile, sells videotapes of the carnage for the equivalent of $13 a copy.

Some say their wounds will never heal.

"I don't believe there will be peace," said Riyad Ahmed Jaber, a barber whose father and sister died in the attack.

"A day will come when we are all in front of God, and we will take our retribution."

Peace, It's Wonderful, But Not in Split Hebron

Arabs and Jews Both Voice Complaints

By Joel Greenberg
New York Times Service

HEBRON, West Bank — The rows of vivid Palestinian pennants over the streets, marking the handover of most of Hebron to Palestinian rule, end abruptly at a road leading toward enclaves of Jewish settlers in the center of the city.

By the side of the road, in front of a new fortified Israeli Army position, workmen have put up bright red signs.

"Attention!," the signs say in Hebrew and Arabic. "You are entering an area under the control of the Israeli security forces. The Israel Defense Forces and Israel Police operate in the area."

On the other side of the sign, a similar message tells people going the other way that they are about to enter "the area of the Palestinian Authority" where "Palestinian Police Forces operate."

The signs brought a sense of permanence to the new reality that has taken hold here in the last few days. With the first flush of change behind them, Palestinians and Israelis in Hebron, both in and out of uniform, are adjusting to new routines of a city under dual authority.

The arrangements are working smoothly for now, although neither side is satisfied.

"I live in two worlds," said Hamdi Halaweh, whose home is in the Palestinian zone but whose butcher shop lies in the area controlled by Israel, some 20 percent of the city.

"I leave home in the morning happy that I'm under the Palestinian Authority, but by the time I arrive at my shop, the feeling's gone.

"Israeli soldiers stop me at a checkpoint, search me, put my hands up against the wall. This is no way to live. People celebrated in one part of town, but 200 meters away there was a curfew. What good is that?"

The two parts of Hebron are a study in contrasts.

While blue-clad Palestinian officers have already begun easing the notorious traffic jams on their side of town, clearing away illegally stopped cars and wayward pedestrians, a main road passing by the Jewish settler enclaves remains largely deserted, flanked by sandbagged Israeli positions.

The Palestinian sector is still festooned with the red, green, white and black colors of thousands of Palestinian flags as well as pictures of Yasser Arafat.

The Israeli-controlled section is bare and subdued, filled with Israeli troops and police officers, and dominated by new, large Israeli flags draped over a Jewish neighborhood and an army checkpoint.

"In my own neighborhood I feel like a free human being with dignity," said Kamal Abu Shama as he crossed from the Palestinian side into the Israeli-held zone for prayers at the Cave of the Patriarchs, a shrine sacred to Muslims and Jews.

"At home I feel security and peace of mind. I can go to sleep at night with my door unlocked, safe from thieves, and the Jews can't come to arrest me. But here I feel powerless."

Not all Palestinians feel that way. Kheiri Dmeiri, who lives just inside the Israeli sector, said he had a new sense of confidence because the Palestinian police are in town.

"I go out at night now without fearing the settlers," he said.

"They know that if they pick up a gun, there are armed Palestinians facing them. I know the Palestinian soldiers will protect me, gun against gun."

But there has been no need for armed threats in the first days of the agreement in Hebron. Palestinian police officers and Israeli soldiers appear to be working in harmony to keep the peace, serving as barriers between the hostile Arab and Jewish populations.

On the road leading to the Jewish enclaves on Tuesday, two Palestinian liaison officers stood opposite an Israeli checkpoint at their jeep, crossing at one point to meet their Israeli counterparts.

Palestinian policemen were stationed nearby to prevent any trouble between Arabs and the settlers, who were kept well away in their enclaves by the Israeli troops. A joint Palestinian-Israeli jeep unit kept watch from a hilltop overlooking the Jewish neighborhoods.

"We have no problems cooperating, and working together will build trust between us," said First Lieutenant Ahmad Abu Hayran, one of the Palestinian liaison officers.

"The problem is the settlers. They don't accept the agreement, they're full of hatred for the Arabs and one of them could pick up a gun and open fire. We don't know what might happen in the future."

But the settlers, as well as Palestinian militants, have done nothing so far to disrupt the new arrangements taking shape in Hebron.

Deprived of Israeli Army protection outside their enclaves, the Jews have kept to their neighborhoods, steering clear of the Palestinian zone and traveling to and from Hebron on Israeli-controlled roads that bypass the city.

Some settlers acknowledge a sense of defeat.

"We've become like a foreign embassy here," said Sophie Ron, who lives in a Jewish enclave. "The agreement preserves only a symbolic Jewish presence in Hebron. This is not what we expected at all."

But Rabbi Moshe Levinger, who led the first group of Jewish settlers in Hebron after it was captured in the 1967 Arab-Israeli war, called the handover of most of the city a reversal in a continuing war.

Kenya, Facing Famine, Plans Corn Imports

Agence France-Presse

NAIROBI — Kenya is facing the risk of mass starvation following a widespread drought, officials said, and the government has agreed to import large quantities of corn.

"Parts of the country are experiencing persistent drought and hence food shortages due to the failure of both the long and short rains," President Daniel arap Moi said in a statement.

Last month politicians from the North-Eastern Province said that dozens of people from the area had died of starvation. The claims could not be independently confirmed.

Thousands of people, most of them herdsmen and their families, in the arid and semiarid North-Eastern and Eastern provinces are already dependent on food aid.

Earlier this month, the U.S. Agency for International Development warned in a report that Kenya will have to import large amounts of food or face a disastrous famine.

"Farm households in the marginal areas of Eastern Province face serious food insecurity following the imminent failure of the critical short rains," the report, titled Kenya Vulnerability Update, said.

It recommended that the corn be imported duty-free so that the most vulnerable groups could afford cornmeal, which Kenyans use to make *ugali*, a thick porridge served with stew.

The "short rains" in the semiarid eastern region of the country account for as much as 70 percent of total annual crop production, but prolonged drought has caused damage to the crop.

Corn prices in Nairobi have almost doubled in recent weeks with a 90-kilogram bag going for the equivalent of $25, up from $13 a year ago.

Local economists estimate that the country will have to import more than 1.3 million metric tons of its grain needs, including corn, beans, rice and wheat. Corn is expected to constitute half of the total food imports.

A year ago Kenya had a bumper harvest. But lower prices have discouraged producers from keeping up production. Imports in 1995 caused a glut in the market resulting in low prices for farmers.

Tom Parker, Elvis's Manager, Dies at 87

By Neil Strauss
New York Times Service

"Colonel" Tom Parker, the strict, unorthodox and controversial manager who orchestrated Elvis Presley's career from 1955 until the singer's death in 1977, died Tuesday at Valley Hospital in Las Vegas. He was 87. The cause was complications from a stroke, said Bruce Banke, a longtime friend and a former executive at the Las Vegas Hilton.

Perhaps the best-known manager in show business, Mr. Parker — universally known by the honorary title Colonel — oversaw Elvis's rise from a phenomenon in the South to a worldwide superstar.

A rough-spoken, imposing businessman, Mr. Parker was known for fabricating his background. The most likely story is that he immigrated to the United States from the Netherlands around the age of 20 and traveled with circuses, settling down in Tampa, Florida.

Mr. Parker began his management career with the singer Eddy Arnold, and went on to manage the singer Hank Snow. He booked Elvis as an opening act on a Hank Snow tour and began trying to persuade Elvis, his parents and his manager, Bob Neal, to let him provide professional guidance.

In 1955, Elvis agreed to accept Mr. Parker as an adviser, who devoted his life to the singer. He sold programs and counted tickets at his shows. He arranged everything from Elvis's appearances on "The Ed Sullivan Show" to his profitable but bland Hollywood films. He persuaded Elvis to abandon performing and public appearances in the mid-1960s and masterminded his comeback in Las Vegas in 1969.

After Elvis's death, he was sued by the singer's heirs for fraud and mismanagement, and a Memphis court ruled that he had no legal rights to the Elvis estate.

In 1980, he moved to Las Vegas, where he lent his experience to entertainers and served as an entertainment adviser to the Hilton Hotel chain.

Diana Lewis, 77, Actress

LOS ANGELES (LAT) — Diana Lewis, 77, an ingenue who appeared in Marx Brothers and Andy Hardy movies, died of pancreatic cancer Saturday in Palm Springs, California.

She acted in more than 20 films before marrying the actor William Powell in 1940 and moving to Palm Springs. She became a philanthropist and a hostess for the desert community's film colony and lived in the same house — which became Palm Springs' first designated historical site in 1995 — for 45 years.

Irwin Levine, 58, Songwriter

LIVINGSTON, New Jersey (Reuters) — Irwin Levine, 58, who wrote the best-selling song "Tie a Yellow Ribbon Round the Old Oak Tree," died Tuesday at a hospital in Livingston, New Jersey, a hospital spokesman said Wednesday.

Mr. Levine's song about a man returning home from prison was the second most recorded song in history, after "Yesterday" by the Beatles, according to the Guinness Book of World Records.

Speed Cameras Trap the Police

Agence France-Presse

LONDON — British highway cameras are trapping so many speed-limit violators that the police cannot keep up with prosecutions, and a spokesman said Wednesday that some cameras had been disabled as a result.

A spokesman for the Association of Chief Police Officers told BBC radio that some police departments were disabling the cameras to stay within their budgets.

The problem, he said, is that fines generated by the cameras go directly to the national Department of Transportation, while the cost of buying and maintaining the equipment, processing the data and prosecuting violations falls to local councils.

The association wants the government to pay for the administrative costs of the cameras, arguing that the national treasury would be the main financial beneficiary.

TRAVEL UPDATE

French Rail Unions Call for Walkout

PARIS (Reuters) — The two biggest rail unions called Wednesday for a strike Jan. 30 against French government plans to overhaul the heavily indebted state railroad SNCF.

The leftist CGT and CFDT unions said they had agreed on "a united reaction by rail workers to oppose the breakup of the SNCF." The CFDT urged workers to plan protest actions "in the spirit of November and December 1995," when a 24-day rail strike paralyzed France, forcing the government to withdraw a previous reform plan.

General Strike in Greece

ATHENS (AFP) — For the second time in two months, the powerful GSEE trade union has urged its 600,000 private and public-sector employees to strike Thursday for 24 hours.

The action is expected to affect Olympic Airways, as well as the national railroad and public transport in Athens, where protesters plan to march through the streets to express their opposition to an austerity budget for 1997.

The United States has warned its citizens living in India of possible retaliation by separatist insurgents following the extradition to India of a suspected top Sikh militant leader, U.S. officials said Wednesday. *(Reuters)*

WEEKEND SKI REPORT

Resort	Depth L	Depth U	Mtn. Pistes	Res. Pistes	Snow State	Last Snow	Comments
Andorra							
Pas de la Casa	160	210	Good	Open	Var	21/1	22/29 lifts open, runs excellent
Soldeu	60	180	Good	Open	Var	21/1	20/21 lifts open, heavyruns
Austria							
Ischgl	45	130	Good	Open	Pckd	21/1	all 41 lifts open, good despite temps
Kitzbuhel	10	50	Fair	worn	Var	20/1	56/60 lifts open, best at pass thurn
Lech	70	165	Good	Icy	Var	21/1	all lifts open, most pistes excellent
Mayrhofen	30	70	Good	Closed	heavy	21/1	all 28 lifts open, good after snowfall
Obergurgl	40	150	Good	Open	Var	21/1	all 22 lifts open, greatskiing
Saalbach	20	30	Hard	Art	Var	21/1	all lifts open, somewhat mixed
St. Anton	50	180	Good	Open	Var	20/1	all 32 lifts open, some great skiing
Canada							
Lake Louise	130	160	Good	Open	Var	21/1	all 12 lifts open, fresh flurries
Whistler	75	245	Good	Open	Var	20/1	all 26 lifts open, superbskiing
France							
Alpe d'Huez	100	260	Good	slushy	heavy	20/1	74/83 lifts open, most runs excellent
Les Arcs	70	175	Good	Open	Var	20/1	73/77 lifts open, good above 1800m
Avoriaz	155	175	Good	slushy	heavy	20/1	39/41 lifts open, thaw attevels
Chamonix	10	240	Good	Some	Var	20/1	43/49 lifts open, great above 2000m
Courchevel	100	140	Good	Open	heavy	20/1	all 68 lifts open, good skiing overall
Les Deux Alpes	80	280	Good	slushy	heavy	22/1	all 63 lifts open, windy at altitude
Megeve	55	170	Fair	slushy	heavy	20/1	40/41 lifts open, good at altitude
Meribel	60	140	Good	slushy	heavy	20/1	fully open, enjoyable above mottaret
La Plagne	100	200	Good	Open	heavy	20/1	105/111 lifts open, weldown
Serre Chevalier	125	300	Good	slushy	heavy	22/1	59/72 lifts open, excell. over 1900m
Tignes	105	190	Good	Open	heavy	21/1	most lifts open, some great skiing
Val d'Isère	130	220	Good	Open	Var	21/1	93/100 lifts open, heavydown
Val Thorens	120	200	Good	Open	Var	20/1	26/28 lifts open, hi winds at altitude
Germany							
Berchtesgaden	10	30	Fair	Closed	Pckd	24/12	20/31 lifts open, somewhat limited
Oberstdorf	20	80	Fair	Hard	Pckd	30/12	25/26 lifts open, paschydown

Resort	Depth L	Depth U	Mtn. Pistes	Res. Pistes	Snow State	Last Snow	Comments
Italy							
Bormio	30	200	Fair	Hard	Pckd	20/1	13/16 lifts open, enjoyable at alt.
Carvinna	155	435	Good	Open	Var	19/1	all 26 lifts open, generally excellent
Cortina	55	120	Good	Open	heavy	21/1	all 51 lifts open, great above 2000m
Courmayeur	50	240	Good	n/a	Var	20/1	21/22 lifts open, most pistes superb
Livigno	100	205	Good	Art	Var	21/1	30/31 lifts open, Perch at altitude
Madesimo	115	380	Good	Open	Var	20/1	16/17 lifts open, great at all levels
Selva	30	100	Good	Open	Var	20/1	all 81 lifts and sella ronda open
Norway							
Geilo	50	50	Good	Hard	Pckd	16/1	all 18 lifts open, 110km of scountry
Switzerland							
Crans Montana	60	280	Good	Open	Var	20/1	35/41 lifts open, excellent at altitude
Davos	55	150	Good	Open	Var	20/1	54/55 lifts open, great skiing
Klosters	25	150	Good	Open	Var	21/1	54/55 lifts open, slopes skiing well
Murren	80	190	Good	slushy	heavy	20/1	all lifts open, good, heavy low down
Saas Fee	85	285	Good	Open	Var	20/1	25/26 lifts open, generally good
St Moritz	60	210	Good	Open	Var	21/1	all lifts open, very good most runs
Verbier	50	190	Good	slushy	heavy	20/1	69/74 lifts open, good above 2200m
Wengen	20	100	Good	slushy	heavy	20/1	25/30 lifts open, high runs good
Zermatt	55	260	Good	Icy	Var	20/1	69/73 lifts open in commencement area
U.S.							
Aspen	150	170	Good	Open	Pwdr	22/1	fully open, great skiing
Breckenridge	160	220	Good	Open	Pwdr	22/1	17 lifts and 126 trails open
Crested Butte	160	200	Good	Open	Pwdr	21/1	all 13 lifts, runs and bowls open
Mammoth	210	300	Good	Open	Pwdr	21/1	28/30 lifts open, great skiing
Park City	175	235	Good	Open	Var	21/1	all 14 lifts and 89 trails open
Vail	180	200	Good	Open	Pwdr	22/1	29 lifts and 4841 acres open
Winter Park	150	180	Good	Open	Pwdr	22/1	18/20 lifts and 116/121 trails open

Key: L, U: Depth in cm on lower and upper slopes. Mtn. Pistes Mountainside pistes. Res. Pistes Runs leading to resort village. Art. Artificial snow.

Reports supplied by the Ski Club of Great Britain.

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WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

North America
A cold shot will drop into the northern Plains Friday, then move eastward into the Great Lakes and eventually the Northeast and mid-Atlantic this weekend. Florida and the deep Southeast will stay mild, while the Southwest turns mild. The Northwest will be unsettled and seasonable.

Europe
Much of Europe will be dry through the weekend, with colder air making a small westward push into eastern Europe. Much of Italy, including Rome, will turn cooler, but will stay near to above normal. Temperatures will stay near to a bit above normal over western Europe.

Asia
Northeast China, Manchuria and both Koreas, including Beijing and Seoul, will be unseasonably cold, but mainly dry through the weekend. Unsettled over Japan with northern areas quite cold; chilly in the south, but not too far from normal. Seasonable in Hong Kong and Singapore.

Europe

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Algarve	12/53	7/44 sh	15/59	8/46 c
Amsterdam	8/46	1/34 pc	8/43	3/37 pc
Ankara	1/34	-7/20 pc	4/39	-4/25 s
Athens	12/53	6/43 c	14/57	8/46 s
Barcelona	14/57	9/48 sh	13/55	7/44 sh
Belgrade	9/48	4/39 pc	10/50	4/39 c
Berlin	4/39	1/34 sh	4/39	-2/28 pc
Brussels	8/46	2/35 pc	5/41	2/35 pc
Budapest	7/44	5/41 c	8/46	4/39 sh
Copenhagen	7/44	2/35 c	8/43	2/35 c
Costa Del Sol	15/59	8/46 sh	14/57	8/46 sh
Dublin	7/44	4/39 c	11/52	9/48 c
Edinburgh	4/39	2/35 c	8/46	6/43 c
Florence	11/52	8/46 sh	9/48	7/44 sh
Frankfurt	4/39	1/34 r	5/41	1/34 sh
Geneva	9/48	6/43 sh	9/48	8/35 sh
Helsinki	-1/31	-8/18 sn	-2/29	-6/22 pc
Istanbul	7/44	4/39 pc	13/55	8/46 pc
Las Palmas	19/66	14/57 s	20/68	16/61 s
Lisbon	11/52	7/44 sh	14/57	8/46 pc
London	8/46	2/35 pc	9/48	3/37 sh
Madrid	10/50	3/37 sh	11/52	3/35 pc
Mallorca	13/55	8/46 sh	12/53	8/46 sh
Milan	7/44	6/43 r	8/46	4/39 r
Moscow	3/37	-3/27 c	-3/27	-13/9 c
Munich	8/46	2/35 sh	7/44	1/34 sh
Nice	14/57	12/53 sh	13/55	10/50 r
Oslo	-3/27	-7/20 c	1/34	-4/25 s
Paris	9/48	4/39 sh	6/43	1/34 sh
Prague	5/41	2/35 sh	3/37	1/34 r
Reykjavik	4/39	-6/22 sn	-1/31	-1/31 sn
Rome	16/61	7/44 pc	16/61	8/46 sh
St. Petersburg	0/32	-6/22 sn	-2/29	-8/18 c
Stockholm	1/34	-5/24 sn	2/35	-3/27 s
Strasbourg	8/46	7/44 r	8/46	3/37 r
Tallinn	-2/29	-7/20 sn	-2/29	-6/22 pc
Venice	8/46	6/43 sh	10/50	6/43 sh
Vienna	5/41	1/34 pc	8/46	2/35 pc
Warsaw	4/39	1/34 c	4/39	-5/22 s
Zurich	8/46	6/43 sh	9/48	3/37 sh

Middle East

Abu Dhabi	21/70	9/48 s	21/70	12/53 s
Beirut	13/55	11/52 sh	17/62	11/52 s
Cairo	13/55	8/46 c	17/62	8/46 pc
Damascus	7/44	3/37 sh	9/48	2/35 pc
Jerusalem	7/44	3/37 sh	9/48	3/37 pc
Luxor	18/64	1/34 s	18/64	3/37 s
Riyadh	18/64	6/43 s	17/62	7/44 pc

North America

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Anchorage	-9/16	-18/0 pc	-11/13	-18/0 pc
Atlanta	16/61	6/43 pc	14/57	8/43 sh
Boston	7/44	-8/18 pc	3/37	-1/31 pc
Chicago	-4/25	-8/18 c	1/34	-9/15 pc
Dallas	17/62	11/52 c	17/62	3/33 pc
Denver	7/44	-8/18 pc	9/48	-7/20 s
Detroit	-2/29	-10/15 c	2/35	-4/25 pc
Honolulu	29/71	18/61 pc	27/80	18/64 pc
Houston	21/70	14/57 sh	19/66	8/46 c
Los Angeles	19/66	10/50 sh	21/70	11/52 pc
Miami	25/78	18/66 s	27/80	19/66 pc
Minneapolis	-13/9	-18/0 c	-8/22	-17/2 pc
Montreal	-2/29	-14/7 sf	-5/24	-12/11 sn
Nassau	29/79	17/62 pc	29/79	18/64 pc
New York	10/50	0/32 pc	4/39	1/34 pc
Orlando	28/79	16/68 pc	29/79	15/59 pc
Seattle	8/41	-9/28 sh	4/39	0/32 sn
Toronto	-2/29	-11/13 sn	-1/31	-9/16 sn
Vancouver	4/39	-3/27 sh	3/37	-1/31 sn
Washington	11/52	-2/29 pc	8/46	2/35 pc

Asia

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Bali	32/89	24/75 t	32/89	24/75 c
Bangkok	33/91	20/68 pc	31/88	19/66 s
Beijing	-1/31	-10/15 s	1/34	-5/22 s
Bombay	30/86	15/59 s	30/86	15/59 s
Calcutta	22/71	9/48 s	24/75	9/48 s
Chiang Mai	34/93	18/64 pc	31/88	18/64 s
Colombo	30/86	20/68 s	29/84	21/70 s
Hanoi	22/71	15/59 sh	20/68	14/57 sh
Ho Chi Minh	34/93	22/71 pc	33/91	22/71 pc
Hong Kong	19/66	14/57 sh	18/64	13/55 sh
Islamabad	14/57	1/34 pc	17/62	1/34 s
Jakarta	30/86	24/75 t	29/84	23/73 c
Karachi	22/71	9/48 pc	24/75	8/46 s
K. Lumpur	32/89	23/71 pc	32/89	23/71 pc
K. Kinabalu	32/89	23/73 s	32/89	22/71 pc
Manila	29/84	19/66 pc	29/84	21/70 s
New Delhi	19/66	2/35 s	21/70	3/37 s
Pinang Penn	31/88	22/71 pc	32/89	23/73 pc
Phuket	33/91	20/68 pc	31/88	19/66 s
Rangoon	33/91	19/66 pc	30/86	19/66 s
Seoul	-1/31	-7/20 sn	0/32	-10/15 s
Shanghai	8/46	5/41 r	8/43	-3/27 c
Singapore	32/89	23/73 s	32/89	23/73 pc
Taipei	23/73	20/68 c	21/70	12/53 r
Tokyo	8/46	1/34 pc	8/46	3/37 r
Wenzhang	20/68	16/61 sh	21/70	14/57 sh

Africa

Algiers	19/66	10/50 c	18/61	7/44 r
Cape Town	27/80	15/59 s	25/77	16/61 pc
Casablanca	14/57	7/44 sh	14/57	8/43 pc
Harare	28/82	11/52 pc	30/86	9/48 s
Lagos	31/88	21/70 s	30/86	21/70 s
Nairobi	31/88	13/55 s	31/88	13/55 pc
Tunis	17/62	11/52 c	14/57	9/48 c

Latin America

Buenos Aires	31/88	18/64 pc	31/88	18/64 s
Caracas	33/91	23/73 pc	33/91	23/73 pc
Lima	27/80	21/70 pc	28/82	21/70 pc
Mexico City	21/70	6/43 pc	22/71	8/43 pc
Rio de Janeiro	29/84	21/70 pc	27/80	21/70 pc
Santiago	31/88	12/53 s	31/88	12/53 s

Oceania

Auckland	24/75	16/61 s	22/71	17/62 pc
Sydney	30/86	21/70 pc	24/75	18/64 sh

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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THE AMERICAS

Senate Gives Its Blessing To Albright And Cohen

Compiled by Our Staff From Dispatches

WASHINGTON — The Senate moved swiftly to put President Bill Clinton's new cabinet in place on Wednesday, confirming Madeleine Albright as secretary of state and William Cohen as defense secretary.

Mrs. Albright will become the first woman to head the State Department and Mr. Cohen, a former senator from Maine, will be Mr. Clinton's only Republican cabinet member. Their confirmation, by 99-to-0 votes, came two days after Mr. Clinton was sworn in for his second term.

Mrs. Albright's swearing-in is expected as early as Thursday. In two hours of formal debate, no senator spoke against Mrs. Albright, although several attacked Mr. Clinton's foreign policy.

Mrs. Albright, 59, who is now the U.S. delegate to the United Nations, will replace Warren Christopher.

The administration's leading foreign-policy critic, Senator Jesse Helms, the North Carolina Republican who heads the Foreign Relations Committee, lavishly endorsed Mrs. Albright.

"She's a strong lady; she's a courageous lady," Mr. Helms said on the Senate floor. But he repeated his blanket disagreement with Clinton administration foreign policy, saying he hoped Mrs. Albright would turn it around. In particular, Mr. Helms criticized U.S. policy toward China, Bosnia-Herzegovina, Haiti, Iraq, Somalia and other countries, as well as the United Nations, which he says needed to be reformed.

In his confirmation hearing earlier Wednesday, Mr. Cohen said he would continue many of Mr. Clinton's policies. But he staked out new ground on Bosnia, where he said the United States would limit its commitment, and also said the United States must modernize its weapons, consider cutting the armed forces' troop levels and turn its attention to Asia.

Mr. Cohen, 56, who replaces William Perry, promised that U.S. troops will leave Bosnia in 18 months and said European allies will have to take over if necessary. Administration officials have said they did not know what would happen after the 18-month deployment. *(Reuters, AP)*

POLITICAL NOTES

Worries Over Gingrich's Fine

WASHINGTON — As the speaker of the House of Representatives, Newt Gingrich, was formally reprimanded, Democrats and Republicans alike seemed preoccupied about the implications of the $300,000 sanction against him, while his lawyer said the fine was originally nearly three times as high.

Still, some Republican members remained aghast at the $300,000 figure and the possible precedent it might set, saying they thought it was far too harsh.

"This is unprecedented and can be levied on everyone," said Thomas DeLay of Texas, the majority whip, voicing on the House floor a fear that many other members expressed privately. Mr. DeLay, who holds the No. 3 position in the Republican hierarchy, was among 26 members of his party who voted against the recommended reprimand and fine, most of them saying the punishment was too severe.

As to how Mr. Gingrich should pay the money, Republicans said privately that from a political standpoint, they thought Mr. Gingrich should pay the fine out of his own pocket. Privately, however, they worried that he could set a precedent that would force any member who was sanctioned to do likewise.

As members emerged from a private meeting Tuesday morning with Mr. Gingrich before the vote to reprimand him, many said the $300,000 fine — or "reimbursement," as his supporters described it — was the main subject.

"The issue being discussed was whether others could afford that," said one Republican. "It's an unusually high amount. And just because he can afford it, it doesn't mean the rest of us can. It may as well be a death sentence."

The speaker's yearly salary is $171,500.

Representative Marge Roukema, Republican of New Jersey, said Mr. Gingrich should "set the example" and pay out of his own pocket. She said doing so would "help restore and rehabilitate the Congress." *(NYT)*

Clinton Hits the Trail Again

NORTHBROOK, Illinois — Two months after winning his final campaign for elective office, President Bill Clinton returned to the campaign trail Wednesday. His new goal is to build public support for proposals that got him re-elected but now need congressional approval.

He plans to travel outside Washington in the coming weeks to push his ideas on education, welfare reform, the balanced budget and a host of bite-sized initiatives, such as expanding the Family Medical Leave Act, aides said.

With little money and no real mandate, Mr. Clinton hopes to influence congressional action on his modest second-term agenda by taking advantage of the attention traditionally afforded presidents.

He visited this affluent Chicago suburb to make his case for schools testing their students and holding them to higher standards, preferably ones that reflect their standing with pupils throughout the world.

"To pretend that somehow holding ourselves to these standards — and agreeing that there has to be some uniform way of measuring them — is giving up local control, is just an excuse to avoid being held accountable," he said. "And it's selling our kids down the drain." *(AP)*

Quote/Unquote

Governor Roy Romer of Colorado, the new general chairman of the Democratic Party, criticizing Jim Nicholson, who was elected Republican chairman last week, for not speaking out on campaign reform. "It was greatly disappointing, to us at least, to see the new chairman of the Republican Party in effect take a pass on campaign finance reform." *(NYT)*

J. Scott Applewhite/The Associated Press

Mr. Clinton talking with Governor Romer of Colorado in Washington.

Democrats' Limits on Donations Won't Stop Flow of Money

By David E. Rosenbaum
New York Times Service

WASHINGTON — The Democratic Party's decision to reject donations from American subsidiaries of foreign companies could prove to be unworkable in the global economy of the late 1990s.

If the party really does limit contributions to $100,000 a year from any one donor, it might find itself at a serious financial disadvantage. But the party can probably stretch the voluntary rules it has just established so that the limit has little effect.

Trying to regain the high ground after months of questions about Democratic fund-raising practices, President Bill Clinton announced Tuesday that his party would no longer accept money from noncitizens who live in the United States.

He said the Democrats would immediately stop taking the unlimited donations known as "soft money" — if the Republicans did the same — limiting such contributions to $100,000 from an individual, corporation or union.

Governor Roy Romer of Colorado, the new general chairman of the party, said at a news conference that the limits on contributions were "a serious step that's going to cost us."

But nonpartisan authorities on campaign finance practices described the announcement as more public-relations gloss than substantive reform.

Kent Cooper, executive director of the Center for Responsive Politics, a watchdog group, called the party's restrictions on contributions "methadone treatment for the money-in-politics drug."

"It's a good first step," he said, "but it doesn't cure the addiction."

NEWS ANALYSIS

First, consider the party's decision to reject contributions from subsidiaries of foreign companies. By law, such donations are legal as long as they are directed by U.S. employees and the money does not come from the foreign parent. Candidates cannot take corporate donations, but parties can.

In the past campaign, American subsidiaries of foreign concerns gave millions of dollars to the political parties.

Restricting donations from these subsidiaries might be popular, especially as the Democratic Party is under fire for taking questionable contributions from foreigners. The problem is that it is often difficult to decide just what is an American company at a time when American corporations are increasingly buying stakes in operations overseas and European and Asian companies have extensive interests here.

Take, for example, Honda America, a unit of Honda Motor Co. of Japan. It has 12,000 employees in Ohio, makes cars from parts fabricated at American tool-and-die shops and sells the cars mainly to American customers through American dealers. Is this an American or Japanese company?

When MCI Communications Corp., the second largest long-distance telephone carrier in the United States, becomes part of British Telecommunications PLC, does that mean it can no longer participate in American politics?

American companies give their shareholders' money to political parties for one main reason: They think it will expand their influence on the decisions of the American government, and they are doubtless right.

So, say a Democratic president or a Democratic Congress is working on opening up the telephone market in Singapore to American companies. Does the restriction imposed by the Democrats mean that AT&T Corp. is free to give money to get a foot in the door, but MCI is not?

That seems to be the case. "If the ultimate owner of an entity is a foreign company, then we would not take that contribution period," said Steven Grossman, the party's chief operating officer.

"This doesn't clean up the system," said Ann McBride, president of Common Cause, another watchdog group. "It gives the illusion of solving the problem, but it's still going to allow a lot of big money into the party."

Away From Politics

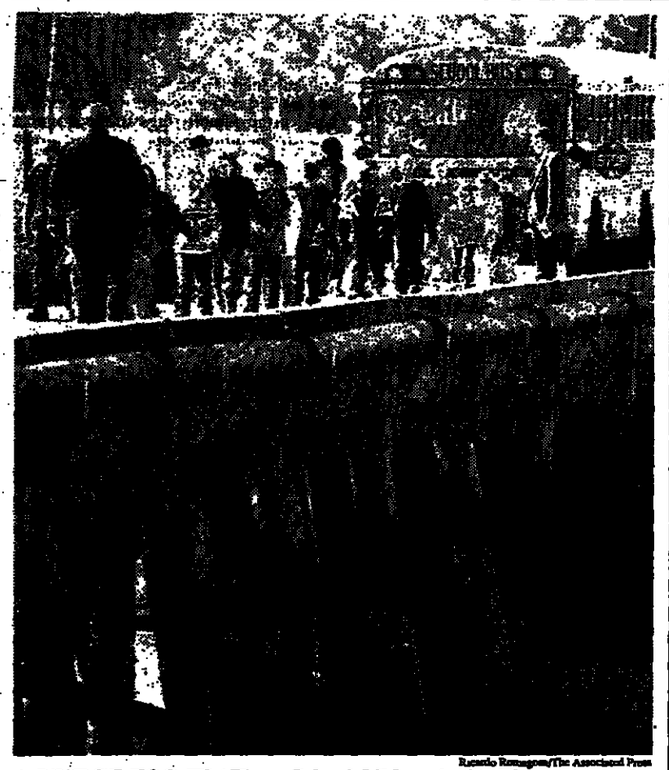
• The grocery store chain Food Lion was awarded more than $5.5 million in punitive damages from ABC and two network employees for a report about the chain's sanitation practices that was based on video from hidden cameras. A jury found that the employees had trespassed and committed fraud. *(AP)*

• A small explosion near a Planned Parenthood clinic had nothing to do with the abortion dispute, the Washington police said. The police said that a hotel worker had picked up a discarded fusing device — no more destructive than a firecracker — that went off in his hand. *(AP)*

• Florida farmers say weather forecasters are to blame for at least $200 million in winter crop losses from an unexpected weekend freeze. The National Weather Service stopped providing its agricultural forecasts this winter because of budget cuts, and local forecasters failed to foresee the cold's severity. *(AP)*

• Parents of a female cadet at The Citadel military college complained to officials of harassment for months before their daughter dropped out, court records show, contradicting assertions by officials that they quickly responded to the complaints. *(NYT)*

• The space shuttle Atlantis landed in Florida, bringing home the astronaut John Blaha, who spent four months on the Russian space station Mir. *(Reuters)*



Ricardo Ramagosa/The Associated Press

A BRIDGE TOO FRAIL — Schoolchildren in St. Marys, Georgia, crossing a bridge that has been deemed too weak to carry their loaded bus. The youngsters have been forced to walk across the bridge ever since the state posted a three-ton limit for the span.

'There's a Killer in This Courtroom'

And It's O.J. Simpson, Plaintiffs Say in Wrapping Up Their Civil Case

By William Booth and Tom Kenworthy
Washington Post Service

SANTA MONICA, California — A plaintiffs' lawyer has described O.J. Simpson as a savage, remorseless murderer and chronic liar who left a trail of overwhelming, irrefutable physical evidence of his guilt.

"There is a killer in this courtroom," the lawyer, Daniel Petrocelli, told jurors during a measured but dramatic closing argument Tuesday in the civil case against the former football star.

Blaming Mr. Simpson for the 1994 murders of his former wife, Nicole Brown Simpson, and her friend Ronald Goldman, Mr. Petrocelli said the evidence — hair, fibers, gloves, clothing, blood and shoe prints — pointed to only one possible assailant, Mr. Simpson, who "lied and lied and lied."

Mr. Petrocelli asked jurors to ponder why the blood of Mr. Simpson, Mrs. Simpson and Mr. Goldman present at the murder scene, smeared in Mr. Simpson's Ford Bronco and splattered on socks on the floor of his house.

With sarcasm in his voice, Mr. Petrocelli mocked the defense contention that Mr. Simpson was somehow framed, that evidence was contaminated or planted and that the shoes shown in more than 30 photographs being worn by Mr. Simpson — which experts say are the same as the killer's — were not his.

"What kind of man tells you that with a straight face?" Mr. Petrocelli asked. "What kind of man?"

He answered his own question: "A guilty man, a man with no remorse."

Mr. Petrocelli called the 30 photographs of Mr. Simpson wearing the unusual Bruno Magli shoes as "one of the single most crucial pieces of evidence in this case," evidence that was not presented at Mr. Simpson's 1995 criminal trial, in which he was acquitted of the double murders.

"If he's wearing that shoe, he did it," Mr. Petrocelli declared.

The summation, which continued Wednesday, followed three months of testimony in the wrongful death suit by the families of Mrs. Simpson and Mr. Goldman. Mr. Petrocelli began by showing jurors photographs of the victims, alive and "vital," a young man and a mother of two. Then he displayed images of their slashed bodies.

"These pieces of evidence are the voices of Ron and Nicole speaking from their graves, telling us, telling all of you there is a killer in this courtroom," Mr. Petrocelli said, jabbing his finger toward Mr. Simpson. "That's the man who attacked them, confronted them and killed them on that Sunday evening in June."

Mr. Petrocelli said, "By their blood, they forced him to step, step, step, to leave shoe prints just like fingerprints."

Throughout the day, Mr. Simpson sat impassively, appearing unfazed, occasionally taking notes and whispering to his lawyers.

Confronting defense assertions of Mr. Simpson's innocence, Mr. Petrocelli called the defendant a liar "utterly incapable of accepting responsibility for his actions."

Even when shown pictures of a battered Mrs. Simpson, Mr. Petrocelli said, the defendant maintained that he never hit her.

"What kind of man takes a baseball bat to his wife's car right in front of her and says she was not upset even though she called police for help?" he asked.

Mr. Petrocelli challenged Mr. Simpson's vague explanations for injuries on his left hand. "What kind of person says they have no idea how they cut themselves just hours before?" he asked.

"Obviously a guilty man says he has no idea," he answered. "He had no credible explanation for these injuries."

AMERICAN TOPICS

Sierra Club Making Waves Over a Lake

The Sierra Club, the country's oldest environmental group, has caused a stir even among some of its supporters by a proposal to drain Lake Powell, the second-largest artificial lake in the country, situated along the Utah-Arizona border.

David Brower, 84, a former executive director of the group, says that the influential group didn't fully realize what it was giving up when, in 1956, it agreed with Western water interests to let Glen Canyon Dam be built, creating Lake Powell, in exchange for no dams at Echo Park or Split Mountain in Dinosaur National Monument.

Only years later, reports the Los Angeles Times, did Mr. Brower and others see the damage of the deep sandstone canyons cut by the Colorado River and its tributaries.

Mr. Brower and the Sierra Club say a strong case can now be made for draining the lake and restoring the natural beauty of the site: One study shows that it loses enough water a year through evaporation and seepage into its sandstone banks to fill the needs of 400,000 people — an alarming amount in the arid West, where water is life.

But opponents say that even the powerful Sierra Club would have a battle royal to take back a lake that is not only a major source of hydropower but also was used last year by 400,000 recreational boaters.

Short Takes

In an experiment designed to revitalize shoppers, still weary after December's excesses, New York state this week is collecting no sales tax on clothing items up to $500 and New York City is skipping its tax as well. The city alone will lose about $7 million in tax revenues, but proponents of the test say that shoppers — who increasingly have been lured out of the city, or across state lines, to lower-tax havens — will buy enough food and pay for enough transportation to make that up.

Your plane is late, and you have just 10 minutes to make your connection, book a hotel, rent a car and send your spouse flowers. Travel emergencies like this, reports Popular Mechanics, are one reason that Internet stations — a sort of high-tech vending machine — could someday be commonplace in airports and elsewhere. In a version developed by a San Diego company, the user sits in front of what looks like a cross between a road-racer video game and a personal computer, then inserts a credit card. Menus offer a choice of 200 services typically needed by travelers, such as reservations, tickets and shopping.

In the history of classical music, notes The New York Times, 11 compact disks have sold more than 1 million copies. And one label released five of those 11. Any idea which one? The surprising answer: Victoria's Secret, the purveyor of pushup bras and peignoirs. Two of those five rank just after the all-time classical best-sellers, the Benedictine Monks of Santo Domingo de Silos (No. 2) and the "Three Tenors in Rome" (No.1). Monica Mitro, a spokesman for the lingerie company, explained: "Part of the appeal is that we took the best-of concept. People might not feel confident enough to buy an entire Mozart album." Other retail chains, like Wonderbra, Hanes and Pottery Barn, are following the example. The coffee chain Starbucks has sold 50,000 copies of its "Blending the Blues" CD.

International Herald Tribune

FDA Approves a Drug Testing Kit

By John Schwartz
Washington Post Service

WASHINGTON — Parents who suspect that their children are using drugs soon will be able to use a government-approved home drug testing kit.

The Food and Drug Administration gave the first approval on Tuesday to a drug test available without a prescription. The new kit, "Dr. Brown's Home Drug Testing System," tests urine for the presence of marijuana, PCP, amphetamines, cocaine, heroin, codeine and morphine.

Approval came four months after the Food and Drug Administration and the Clinton administration came under fire in Congress over the agency's attempts to restrict the distribution of a similar product.

The "Dr. Brown" of the test kit name is J. Theodore Brown, a clinical psychologist with a background in treating substance abuse. Mr. Brown, who formed Personal Health and Hygiene Inc. to market the product, said he hoped to have the kits on the market within six weeks and expected to charge around $30.

Privacy advocates have long said that the easy availability of a drug test kit could violate the rights of those tested.

Some said they were "a little concerned about whether it was going to be employed in schools and other places.

The new system is not a home diagnostic kit like those commonly available for pregnancy testing.

Instead, it is a home collection kit, with a cup for collecting the sample and two plastic tubes with screw-on lids for shipping the sample to a laboratory for analysis. The tubes are protected in a plastic pouch and bubble wrap.

Once the testing laboratory receives the samples, it will screen them for drugs and then perform confirmation testing to minimize errors.

The lab will then transmit results to Personal Hygiene, which is setting up a telephone results center.

Customers should expect results from one to three days after a lab receives the sample, Mr. Brown said.

The testing center will be staffed by phone representatives who will not only give the results of the test, but also provide information about interpreting the results and the potential for mistakes.

The center also will offer referrals for drug abuse counseling if requested.

Each sample has an identifying number so that the person who sends one in can phone the company, give the number and receive the results anonymously if desired.

Four months ago, the issue of home drug testing erupted in Congress.

The Food and Drug Administration moved to block distribution of a test kit produced by a company called Parents Alert.

Its owner, Sunny Cloud, distributed the test without seeking the agency's approval, a process that Mr. Brown completed.

The agency warned Mr. Cloud to stop distributing the test until it could prove the test was accurate and the accompanying procedures well thought out, and lawmakers and commentators decried the move as evidence of the overprotective "nanny state."

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ASIA/PACIFIC

Opposition in Seoul Rejects Kim's Overture

Compiled by Our Staff From Dispatches

SEOUL — In a sharp challenge to the government, South Korea's opposition parties on Wednesday rejected President Kim Young Sam's offer to open debate on a new labor law, and the nation's top strike leader led a protest march through Seoul.

Park Sun Sook of the main opposition National Congress for New Politics said a meeting of officials from her party and the United Liberal Democratic Party decided any debate in Parliament would be held only on the condition that the law was first revoked.

Separately, the union leader, Kwon Young Kil, left Myongdong Cathedral to lead 4,000 workers in a noisy march to protest the labor law after workers responded only partially to a strike call.

For the first time since the law was rammed through Parliament on Dec. 26, Mr. Kwon and several deputies of the outlawed Korean Confederation of Trade Unions left the church where they had sought sanctuary from arrest.

The Korean Confederation of Trade Unions, an umbrella group that has spearheaded the industrial unrest, said 180,000 workers walked out on Wednesday. The Labor Ministry said 65,000 workers put down their tools.

Unions went ahead with strikes despite an attempt by President Kim to end the conflict by agreeing to Parliament taking a second look at the law, which makes it easier for companies to dismiss workers.

The law was passed in a secret session of Parliament that excluded members of opposition parties.

As part of his retreat, Mr. Kim said at a meeting with opposition leaders that he would order officials to suspend arrest warrants served on Mr. Kwon and his deputies for organizing more than three weeks of strikes.

But Mr. Park of the National Congress said, "Any debate in Parliament must be made on the condition that the law is made null and void."

Mr. Kim, who argues the law would free up the labor market and trim company costs as well as boost competitiveness, has said dumping the legislation would go against the Constitution.

Unions have called strikes every Wednesday and demonstrations every Saturday. The Korean Confederation of Trade Unions said it would call its half-million members out on a new indefinite general strike unless the government repeals the law by Feb. 18.

"We will go ahead with our plans for strikes and rallies," Mr. Kwon of the confederation said, "unless the new labor law is totally nullified."

(Reuters, AFP)

8 North Koreans Defect to South

Compiled by Our Staff From Dispatches

SEOUL — Two North Korean families, including a distant relative of former President Kim Il Sung, defected to South Korea by sea in freezing temperatures Wednesday.

Among the eight defectors was Kim Young Jin, a relative by marriage to President Kim's wife, a statement from the South Korean intelligence agency said. It was the second major escape from the Communist state in less than two months.

The intelligence agency said the two families of four, including five children, sought political asylum after entering Southern waters in the Yellow Sea between China and the Korean peninsula. They were rescued by South Korean maritime police and later arrived at the port of Inchon, just west of Seoul.

Their defection followed the escape of 17 North Koreans from a single family who arrived here Dec. 9 after an arduous 27-day journey through China into Hong Kong.

The defection Wednesday also was the first major escape to the South by sea in years. In 1987, 11 members of a North Korean family defected to Seoul by boat via Japan.

An increasing number of Koreans have fled the North and sought asylum in the South following several years of chronic food shortages. The recent rise in defections has been a propaganda coup for South Korea, but has also sparked fears about how Seoul would cope if the trend turned into a tide of refugees.

Seoul is drawing up plans for reception centers for North Koreans that would offer immediate shelter and vocational training, the first of which could be ready soon. *(Reuters, AP)*

Shawn Crow/The Associated Press

A BELIEVER'S PLEA — His head covered with mud, a devotee of the Hindu goddess Yellama begging for forgiveness in India as other believers marched by Wednesday during an annual pilgrimage.

Hanoi Moves Forward With Forced-Labor Road Plan

Reuters

HANOI — The government stepped up its rhetoric Wednesday on plans to breathe new life into a mass forced-labor program, prompting comparisons from economists to China's disastrous Great Leap Forward.

The party newspaper Nhan Dan called for "the highest level mobilization of people."

Other newspapers detailed plans for the compulsory involvement of millions of people in construction projects, including a north-south expressway along parts of the wartime Ho Chi Minh trail — the wartime network of roads and paths that Hanoi used to transport supplies and troops to the U.S.-backed South.

The English-language Vietnam News quoted Prime Minister Vo Van Kiet as saying: "I can guarantee this will be a great construction site with the work of millions of people."

Vietnam has maintained a compulsory labor program for many years under which young people are required to devote 10 days a year to work for the state, or else pay a fee of 2,000 dong (about 18 cents) a day for exemption.

But under proposals set to go before a National Assembly committee soon, the program will be amended to increase the numbers involved by widening the age range of participants.

According to government officials, individual provinces and cities will set their own new exemption charges, meaning in effect that wealthier urban residents will pay more.

International and Vietnamese economists expressed concern over the plans, with one likening them to China's Great Leap Forward campaign of the late 1950s.

That campaign, at the behest of Mao Zedong, saw farmers abandoning their fields in a drive to produce steel in backyard furnaces. Millions died later from starvation.

"It's not in this size, not in this way, but the idea is the same," said a Vietnamese academic, who declined to be named.

"If the projects are small and closely related with the interests of the people, it's O.K.," he said. "If it's not well paid, not contracted, I think the ILO" — the International Labor Organization — "will be very interested."

Others reacted to the news with surprise.

"We've been encouraging the government to mobilize labor at the commune or village level for small self-help programs," a Western economist said. But "this overall thing is very surprising," he added.

According to Vietnamese estimates, construction of the 1,800-kilometer (1,125-mile) north-south highway will cost at least $5.5 billion.

India, Shifting Policy, Turns Into a Good Neighbor

By Kenneth J. Cooper
Washington Post Service

NEW DELHI — India, which for decades often bullied or ignored its smaller neighbors, has decided to be kinder and more attentive to the other countries of South Asia.

In its first six months, the coalition government of Prime Minister H. D. Deve Gowda has pursued what Western diplomats in New Delhi describe as a "good neighbor" policy of giving more in its relationships with smaller neighbors than India immediately receives in return.

"India must do more for the neighbors than we expect neighbors to do for us," the external affairs minister, I. K. Gujral, said in an interview Tuesday.

The new foreign policy aims to promote regional harmony and the kind of economic cooperation that exists in North America, Europe and Southeast Asia. The countries of South Asia already have agreed to establish a free-trade zone similar to ones in those regions.

Mr. Gujral mentioned all South Asian countries except Pakistan in enunciating the good neighbor policy during a speech last September in London. But his government has also toned down official statements about its regional arch-rival and has unilaterally eased restrictions on Pakistanis traveling to India and on the distribution of Pakistani publications.

So far, the biggest beneficiaries have been Bangladesh and Nepal, India's eastern neighbors.

Mr. Gowda's government has resolved decades-old disputes with a treaty on sharing Ganges River water more equitably with Bangladesh and another pact with Nepal on water and hydroelectric power from a major tributary of the Ganges.

India has also made unilateral trade concessions to both countries, and Mr. Gujral said similar measures would be extended to Sri Lanka during his forthcoming visit to Colombo, capital of the island nation.

The driving force behind the shift in India's foreign policy has been Mr. Gujral, 77, a seasoned diplomat who served as foreign minister in the late 1980s and ambassador to the Soviet Union in the late 1970s.

"With neighbors like Nepal, Bangladesh, Bhutan, Maldives and Sri Lanka, India does not ask for reciprocity but gives all that it can in good faith and trust," he said in the London speech.

BRIEFLY ASIA

U.S. Joins Britain In Warning China

HONG KONG — The United States and Britain warned China on Wednesday on preserving basic freedoms in Hong Kong, while the territory's future leader sought Wednesday to dampen controversy over Beijing's plans.

A Beijing-controlled panel proposed Sunday that Hong Kong laws on civil liberties and elections be scrapped after China takes control on July 1.

"We are deeply concerned over any attempt to weaken civil liberties and basic freedoms in Hong Kong," said the U.S. State Department spokesman, Nicholas Burns.

But Tung Chee-hwa, who will take over as chief executive after the handover, called for calm.

"I think we are being too dramatic," he said on Hong Kong radio. "It is a very complex issue."

Governor Chris Patten said the "ill-considered recommendations" would be "deleterious for our economic success and social stability." *(Reuters)*

Taleban Claims Victory in North

CHARIKAR, Afghanistan — Taleban fighters said they had pushed back a major offensive by opposition forces north of Kabul on Wednesday.

"We repulsed a heavy attack of the enemy which has been going on since early morning," a Taleban commander, Mullah Azizullah Agha, said in Charikar, about 50 kilometers from Kabul.

He gave no casualty figures, but aid workers said they had taken at least five wounded Taleban fighters to Kabul. *(Reuters)*

Chinese Province Fears Aftershock

BEIJING — The northwestern province of Xinjiang was steeling itself Wednesday for a major aftershock after being rocked by twin earthquakes that killed 12 and injured 40, local officials said.

The two major earthquakes, measuring 6.4 and 6.3 on the Richter scale, hit the same eastern section of Xinjiang within a minute of each other Tuesday morning.

"Although a stronger earthquake is less likely to hit the area within a short period, an aftershock measuring more than 5.0 on the Richter scale may still possibly happen," an official with the Xinjiang seismology bureau said. *(AFP)*

JAPAN: *A Nation's Elderly Veterans Are Tormented by the World War II Killings and Torture That They Saw – and Committed*

Continued from Page 1

the tone is often not defensive but deeply contrite.

While many Japanese argue that there is no need for the country as a whole to apologize to overseas war victims or compensate them, many veterans say the government should do more to show remorse for the war and to teach young people about atrocities committed by Japanese troops.

"We should absolutely apologize to China and Korea," Mr. Horie said without hesitation. "Absolutely."

The tension was thick as he began to peel away his own memories, and his hands shook like dry leaves in the wind. After two hours he took a deep breath and volunteered that he had eaten human flesh.

Mr. Horie and his buddies had eaten some rare fresh meat that had suddenly become available in the local market in northeastern China one day in 1939, he recalled. Then the *kenpeitai*, the Japanese secret police, came around asking whether anyone had bought meat in the market.

"Some Japanese soldiers who were hungry had killed the boy and eaten some of his meat and sold the rest to the Chinese merchant, and we bought it from that merchant," Mr. Horie said. He added that he had heard that the Japanese soldiers had been punished for the killing and the cannibalism.

The killing of the baby, Mr. Horie insisted, was just as accidental. He said he had been searching a village for anti-Japanese guerrillas when he saw a stack of dried reeds with an arm sticking out, holding a gun.

"I charged with my bayonet and thrust it into the reeds at chest height, and I heard a scream," he said. "I pulled the rifle out, and there was a baby skewered on the bayonet. It was maybe six months old, and the hilt had gotten caught in its belt, so it was stuck to the bayonet.

"It turned out that the baby's mother was a guerrilla, holding the baby as she hid in the reeds. The bayonet had gone through her as well as the baby, so she died too."

Mr. Horie paused, overcome by the rush of memories.

Most of the old men who discussed the war said they were recounting their war experiences for the first time, and they spoke with a mixture of ache and relief. Some seemed happy in the twilight of their lives to talk about the specters that still rattled chains in their minds, but they could not discuss quite everything.

"I did some terrible things that I would never be able to talk about," said Junji Murata, who served in China and also guarded American prisoners of war in a camp in Vietnam. "But we also endured awful experiences ourselves."

By all accounts, those experiences changed the veterans of Omiya, so that the arrogant young men who left for war returned humble and chastened, and in most cases ferociously hostile to war itself in any form.

"War makes people do terrible things," said Teruichi Ukita, 71, a burly man with a crown of white hair shorn in a crew cut, who was a military policeman and watched Chinese being tortured. "Humans are so stupid. You do terrible things, and you regret them later. At first, humans seem so smart. And in reality they're such idiots."

Omiya, like most of Japan, was caught up in the militarism of the 1930s, and the local elementary schools taught the boys military drills using wooden guns. "The greatest honor," the young men of Omiya were told, "is to come back dead."

Yet very few in Omiya volunteered for service, most waiting until they were drafted. The reason for this hesitation had nothing to do with doubts about the aims of the war. The young men were simply afraid — not of the enemy, but of their own officers.

"Very few kids wanted to become soldiers, because we knew that the army was very strict," said Setsuo Ono, who spent four years in the war in China. "If you were a low-ranking soldier, you had to wash the officers' underwear and polish their boots. If you didn't do everything just right, you got beaten up."

Often the new soldiers were lined up for officers to slap them in the face, or punch them or beat them with belts, sometimes until blood poured down their faces.

For many of the troops, this kind of brutality was more evident, on a daily basis, than the atrocities against civilians for which the Imperial Army is better remembered. Most veterans in Omiya do not dispute that atrocities occurred, but they add that it is not as if the typical soldier had been killing and raping civilians daily.

Wazo Nishi, 80, a stooped widower with a few days' stubble on a deeply lined face, was a medic. He says that he never killed anyone and that in the entire war he saw only one barbaric incident — although he adds that he can never forget it.

It was in the Philippines in 1942. A Japanese military surgeon decided to show a few medics how to remove an appendix. So he spread a sheet on a field, brought in a healthy Filipino, a civilian, and put a mask over his nose to anesthetize him.

The surgeon cut the Filipino open, removed his appendix and sewed him back up. Then, the lesson over, the surgeon pulled out a gun and shot and killed the patient.

Perhaps none of the veterans in Omiya is such a puzzle of contradictions as Mr. Ukita. Amiable and remorseful, Mr. Ukita acknowledges that he served in China in the kenpeitai, the dreaded military police, and that he killed many Chinese people during the war.

"I saw lots of torture scenes, but I don't want to talk about it, or remember it," Mr. Ukita said coolly. "It was said that even crying babies would shut up at the mention of the kenpeitai. Everybody was afraid of us. The word was that prisoners would enter the front gate but leave by the back gate — as corpses."

The torturers themselves, Mr. Ukita said, were "regular people" who simply did their job. Yet he acknowledged that some torturers had been worse than others, and he drew a distinction between those who were "cold" and others who were more "humane."

"If you look in a man's eyes as you torture him, then you understand him," Mr. Ukita said. "When you ask him for information, you can tell from his eyes if he's telling the truth when he says, 'I don't know, I don't know.' The humane torturers would stop at that point, if they saw the man really didn't know. The cold ones would keep going."

The victims were mostly men, Mr. Ukita said, but there were some women as well. These were extremely disagreeable memories for Mr. Ukita, and he turned aside questions about what he himself had done and seen.

"I just can't talk about it," he said.

Asked about the "comfort women," or sex slaves in army brothels, Mr. Ukita acknowledged that he had frequently visited them. Although some Japanese now insist that the women were prostitutes who had volunteered, Mr. Ukita said that from his own experience he knew that the women had been forced to work in the brothels.

"At the time of the war, I was in my 20s and single, and I didn't understand," he said, growing more emotional. "But when I had two daughters myself, I started to realize what I had done."

At that point, Mr. Ukita's voice choked and blinked, and tears welled in his eyes. He would not say exactly what his role had been, but in a tremulous voice he said that Japan should compensate the women for the injuries done to them.

Westerners often complain indignantly that Japanese see themselves as victims of the war rather than the aggressors. One reason for this perception in Japan is that by the end of the war, many people like Mr. Ukita — along with countless civilians — came to endure trials as severe as those the Japanese Army had previously inflicted.

In the chaos of defeat, Mr. Ukita remembers seeing Japanese refugees trying to ford a river, and one young woman in particular sticks in his mind. She was carrying a bag of possessions and leading a child and an elderly woman. When the river got too high, she had to let go of the bag.

"Then the water got deeper, and she had to let go of the grandma," Mr. Ukita said. "And it got even deeper, and so the only way she could make it was to let go of her child. She got to the other bank and survived, but she was shattered. She looked as if she were sleepwalking."

Mr. Ukita was captured by Russians at the end of the war and sent to Siberia. It was when he saw fellow Japanese being killed, he said, that he belatedly realized the universal value of human life.

"Watching Chinese being killed, I had had no emotions," Mr. Ukita said. "It was like a game. But when I saw Japanese being executed in Siberia for stealing things, I got so angry and emotional."

The reticence of these older men to talk about their experience is matched by the obliviousness of youngsters to the war. Naruki Orita is a 13-year-old boy who is known as a good student in Omiya Junior High School, but like teenagers everywhere he has trouble keeping track of events that happened before he was born and thus seem like ancient history.

What country dropped the atomic bomb on Japan?

"Hmmmm," he muttered. "I'm not really sure. I don't know."

Naruki said he knew that his grandfather had died in the war, but he did not know where. "We don't ever talk about the war," he said. "No one's interested."

His grandmother, Tsune Orita, a stooped woman of 87 who lives with the family, looked a bit embarrassed.

"I just don't tell him about his grandfather," she said. Some people in Omiya say the war is not mentioned because it ended in a humiliating defeat, but the elders also say that when they were children there was never much talk about the Russo-Japanese War of 1905 either, and that was a national triumph.

Perhaps one reason for the taboo, aside from the painfulness of the memories, is that in Japan it is considered poor form to brag or to whine, and it is hard to talk about a searing experience like battle without seeming to do one or the other.

When the veterans straggled home after the war, no one praised them or even much sympathized with them. Yet while the Japanese veterans say their efforts went unappreciated, they add that they have never heard of veterans suffering from emotional problems because of the war.

Perhaps one source of resiliency has been the strong sense of structure in Japanese life, giving each veteran a familiar niche in which to move ahead.

In any case, most veterans never looked back.

"I don't talk about my experiences in the war with my family," said Teisaku Yoshida, the former town barber, who served in Korea. "I never told my son about it, not even once. I never told my wife or grandkids, either."

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Swiss Bank Seeks Fund For Holocaust Victims

The Associated Press

ZURICH — The president of Switzerland's second largest bank stepped up pressure Wednesday for a financial gesture from Switzerland in favor of Holocaust victims.

Rainer Gut, president of Credit Suisse, said the government and the National Bank, as well as private banks and insurance companies, should quickly set up a fund to compensate destitute survivors of the Nazi death camps.

Other businesses should join the fund later, and it should be open for contributions from other countries, he said. His call was backed by another banking giant, Swiss Bank Corp. A spokesman, Michael Willi, said it expected the cabinet to take up the proposal and assume leadership in carrying it out.

In an interview with the daily Neue Zuercher Zeitung, Mr. Gut said the issue of bank accounts of Holocaust victims and other allegations that Switzerland profited from World War II required urgent action.

Jewish groups have charged that the banks may be holding up to $7 billion worth of Jewish assets, unclaimed after the owners perished in the Holocaust. The banks contend the figure is likely to be only a tiny fraction of that.

"Switzerland's international credibility is at its lowest ebb since the Second World War," Mr. Gut said, adding that such a fund would be a gesture in keeping with the Swiss tradition of humanitarianism.

He did not propose a size for the fund, but made it clear he believed it should be well above 100 million Swiss francs ($71 million). The fund should benefit all victims of the Holocaust, regardless of their background, he said.

■ Appeal to Sweden on Gold

The head of the Jewish Agency has appealed to Sweden for new information on Nazi gold deposited in Swedish banks during World War II, The Associated Press reported from Jerusalem.

The request by Avraham Burg came in response to the discovery of documents indicating that Sweden received far more gold from Germany during the war than had been known and apparently disregarded warnings that the gold may have been Nazi loot.

After the war, Sweden examined gold it had received in payment for exports. It returned to Belgium and the Netherlands about 13 tons that presumably had been stolen. But Swedish radio and the Dagens Nyheter newspaper said a new inquiry found that Sweden had received about 38 tons of gold from the Nazis.

Peter Mueller/Reuters

CATTLE SLAUGHTERED IN GERMANY — A veterinarian giving a lethal injection Wednesday to a Galloway cow in Brakel, Germany, after a member of the herd, imported from Britain, was found to have "mad cow" disease. Officials may order the destruction of up to 10,000 cattle originating from British stock.

Kohl Speaks To Havel of Integration And Identity

The Associated Press

PRAGUE — Leaders of Germany and the Czech Republic, neighbors with a history of ill feelings, on Wednesday discussed the need for integrating their economies, while retaining their cultural identities in the new Europe.

Chancellor Helmut Kohl of Germany met President Vaclav Havel of the Czech Republic on the second day of a visit aimed at dealing with past distrust stemming from Nazi occupation of Czech lands in World War II.

The Czechs also look to Germany for help in joining the North Atlantic Treaty Organization and the European Union. The Czech Republic, along with Poland and Hungary, is a leading candidate.

On Tuesday, Mr. Kohl and Prime Minister Vaclav Klaus of the Czech Republic signed a declaration in which Germany expressed its regrets over Nazi evils, while the Czechs expressed theirs over Czechoslovakia's expulsion of Sudeten Germans after the war.

Even though he was one of its architects, Mr. Havel missed the signing Tuesday because he is still recuperating from lung cancer surgery.

While the document is not binding, it is perceived as a gesture of good will and a precedent for the peaceful resolution of conflicts in Central Europe's maze of historical enmities.

"I have great hopes that in talks on broader European integration, President Havel will emphasize that we need not only a strong economy, but also cultural identity," Mr. Kohl said.

He added that economic questions were important, "but it would be a poor Europe if we talked about money only."

Mr. Havel said that during a 90-minute lunch, the two men had "continued our talks on European integration."

Mr. Kohl also met Wednesday with Cardinal Miloslav Vlk and went into Prague's St. Vitus Cathedral for a brief prayer with the cardinal.

Cardinal Vlk said afterward that churches made the first steps toward reconciliation between the countries in meetings that started shortly after the end of Communist rule in the old Czechoslovak federation.

"The churches presaged reconciliation," Cardinal Vlk said. "Kohl's visit this morning was a tribute to what the Church has done in the past six years."

Keeping Monarchy Afloat, Britain Plans New Yacht

By Fred Barbash
Washington Post Service

LONDON — The royal family may be in trouble, but the royal yacht is saved, as of Wednesday. Long live the royal yacht.

Defense Secretary Michael Portillo of Britain announced Wednesday in the House of Commons that while the royal yacht Britannia will indeed be decommissioned as planned, the government will pay roughly $100 million to build a new one.

The surprise decision caused rejoicing in maritime and royalist circles. Supporters have fought a long battle to have a royal yacht ever since the decommissioning was announced. They had almost given up the cause, after being led to believe by the government last month that it was lost, that renovating the old yacht would be too expensive, and that building a new one would be even more so.

For them, Wednesday was just like the old days.

"Is this not the best way," said Douglas Hurd, a Conservative member of Parliament, "to allow the sovereign to remind us and the world of the links between this nation and the sea?"

For opponents of the new vessel, some of them republicans, some just tightfisted and many who thought the yacht should be privately financed — if financed at all — it was also like the old days.

It is a "relic of Empire," declared Tony Banks, a Labour member of Parliament. "We should give it up. It isn't necessary. Surely the queen is more sensitive to the fact."

"With hospitals closing, the need for schools to be built, with transport running down, all the needs in this country that aren't being met," he said, to "squander" £60 million was "an appalling piece of public relations."

The existing yacht, Britannia, is currently on its way to participate in ceremonies for the authentic end of the empire — the transfer of Hong Kong, the last serious British colony, to China this summer. This is to be its last voyage. Afterward it will be retired in an "appropriate" manner, Mr. Portillo said, with an "appropriate" use.

The 6,000-ton, 400-foot (120-meter) cruise ship was commissioned in 1954. It is now considered too old-fashioned, too run-down and, in view of the monarchy's declining favor in Britain, too expensive to maintain or renovate with public funds.

Its fans, including the Duke of Edinburgh, the husband of Queen Elizabeth II, lobbied hard to save it or at least to replace it. They contended that the Britannia was actually a money machine, since it was used frequently to entertain foreign businessmen interested in investing in Britain.

At last notice, the government had committed the whole subject to "careful study," which usually means death.

Instead, Mr. Portillo announced Wednesday that money had been found in a "reserve" fund to build a new yacht. "It is a symbol of the nation's pride," he said, adding that the yacht was also a money maker and that the decision was the government's not the queen's.

Aghast, a radical Labour member of Parliament, Dennis Skinner, said, "We shouldn't spend any more money on this aristocracy that's been pushing their own self-destruction buttons in the course of the last decade."

Offended, Mr. Portillo told Mr. Skinner that these were "matters of national esteem and national pride which you do not share and, I think, don't even understand."

A Buckingham Palace spokesman said the queen was "pleased," and had agreed to contribute "to the furniture and fittings" of the royal quarters on the new ship. The spokesman added that she considered "a new royal yacht as first and foremost a national asset for furthering British representational and economic interests."

Mr. Portillo said he hoped the new yacht — as yet unnamed — would be completed in time for the queen's 50th year on the throne in 2002.

Austrian Cabinet Getting a Shuffle

Reuters

VIENNA — Austria's next government began to take shape Wednesday with some familiar faces from the left of the ruling Social Democratic Party out in the cold and moderates poised to take on key ministerial roles.

Viktor Klima, the chancellor-designate, is expected to name his team next week, but already three out of six Social Democrat ministers have resigned and a fourth exit looks likely. The post of finance minister, which Mr. Klima is vacating, must also be filled. No changes are expected among ministers from the conservative People's Party, the junior coalition partner.

Cabinet members who will probably lose their jobs include Interior Minister Caspar Einem and Arts Minister Rudolf Scholten. Mr. Einem has been assailed for making a donation to a leftist newsletter, and Mr. Scholten, who supported a provocative theater director, has confirmed his resignation.

BRIEFLY EUROPE

Spain Clears Gibraltar Passports

MADRID — Spain has assured Foreign Secretary Malcolm Rifkind that it will recognize Gibraltar-issued British passports, officials said here Wednesday.

At a joint press conference, Foreign Minister Abel Matutes said Spain had not and would not challenge the right to free circulation in Europe for the 30,000 inhabitants of the British colony. Mr. Rifkind said he was pleased with that "very important clarification" and said Madrid had offered an understanding that there would be "no impediment" to free circulation for Gibraltarians.

Spanish press reports recently said Madrid would stop recognizing British passports issued in Gibraltar. *(AFP)*

Rights Court Hears Turkish Case

STRASBOURG — Ankara's human rights record came under renewed scrutiny Wednesday as the European Court of Human Rights heard new allegations that the Turkish authorities had practiced torture.

In the latest case to come before the court, Sukran Aydin of Derik, in southeastern Turkey, contended that she was beaten and raped while in the custody of Turkish police for three days in 1993. The Turkish government has denied ever detaining her and has countercharged that, according to intelligence reports, she was a terrorist working for the separatist Kurdistan Workers' Party. A decision was not expected for several months.

The court ruled last month that Turkish police had tortured a Kurd arrested in 1992 as a suspected terrorist but never charged. In that case, the court ordered Ankara to pay damages and legal costs to the survivors of Zeki Aksoy, who said he had been tortured while held incommunicado for at least two weeks in a prison in southeastern Turkey. Turkey had argued in that case, as well, that the allegations were completely unfounded. *(Reuters)*

Stoyanov Takes Over in Sofia

SOFIA — Petar Stoyanov formally took over from Bulgaria's outgoing president, Zhelyu Zhelev, at a ceremony here Wednesday.

Mr. Stoyanov took over command of the army from Mr. Zhelev, the first directly elected head of state in Bulgaria's 1,300-year history, at a military parade outside the presidency. Mr. Stoyanov, a 44-year-old lawyer, inherits a severe economic crisis and a political deadlock that has prevented the formation of a new government.

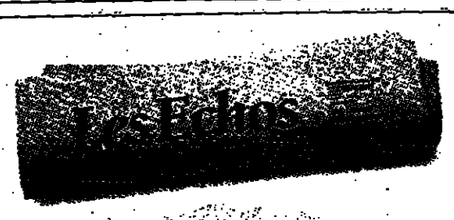
Protesters have held 15 days of street protests demanding quick elections and demonstrating against the formation of a new cabinet by the Socialists, the former Communists, who have a majority in Parliament. Mr. Stoyanov, elected on the opposition ticket last November, has backed calls for quick elections. *(Reuters)*

Tirana to Ban Pyramid Schemes

TIRANA — Albania's rightist government promised Wednesday to ban pyramid investment schemes, but a court jailed and fined demonstrators who mounted protests against the ploys in Tirana over the weekend.

Foreign Minister Tritan Shehu said during a trip to Lisbon that the government planned to push a law through Parliament on Thursday to abolish the get-rich-quick schemes that led to street clashes.

"Tomorrow a special law will be approved in Parliament," he said at a press conference. "We will take all the necessary measures to restore equilibrium." *(Reuters)*



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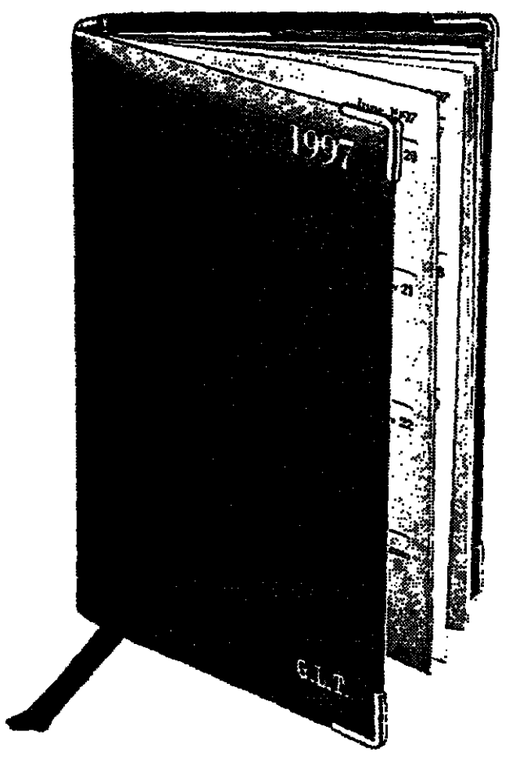

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INTERNATIONAL

Algerians Police Streets; New Blast Said to Kill 5

The Associated Press

ALGIERS — As a fourth bomb attack in as many days claimed five more victims Wednesday, the young men of Algiers took to policing the streets themselves in an effort to stave off more deadly attacks.

"We can't wait for the government to protect us," said a man in his 20s who was searching cars at a makeshift security checkpoint in the Belcourt neighborhood, where 42 people were killed Sunday in a car-bombing blamed on Islamic insurgents.

"We need to organize ourselves, to help ourselves," said the young man, who would not give his name.

The militants had threatened more attacks during the Muslim holy month, and nearly 150 people have been reported killed since Ramadan began on Jan. 10.

In the latest attack Wednesday, a bomb exploded at a market in Blida, 50 kilometers (30 miles) south of Algiers. Five people were killed and more than a dozen wounded, witnesses said, but no official death toll was given.

In the past, the authorities have organized auxiliary groups to help them defend against attacks. But Wednesday marked the first time residents in the capital have taken to the streets, in force and on their own, to police the city.

In neighborhoods across the capital, groups of young men — many of them unemployed or street merchants — used fruit cartons, bricks and whatever else they could find to build barricades.

Acting with police approval in some cases, and without it in others, they blocked off some streets completely. On other streets, they forced drivers of unfamiliar cars to submit to searches.

The Algerian authorities had no immediate reaction, and did not try to stop the young men.

The bombing Wednesday in Blida, the site of a major military base and a stronghold of Muslim fundamentalists, wounded about 15 people and caused heavy damage to the marketplace, witnesses said.

Villages in the mountainous Blida region have also been the sites of massacres that have left whole families dead. Sometimes the victims have been hacked to death; sometimes their throats have been slit.

The Blida bombing followed two car bombings Tuesday in the capital that killed up to 18 people.

On Sunday, 42 people were killed in another Algiers car bombing.

The rash of attacks came within days of a threat by the Armed Islamic Group — the most radical of Islamic factions — to step up its war against "apostates" during Ramadan.

"The war will continue and intensify during the month of Ramadan," said a statement signed by Antar Zouabri, leader of the Armed Islamic Group.

"We have the means and the men to punish those who are not on our side," it read. "Except for those who are with me, all the others are apostates and merit death."

The statement, put up on mosque walls around Algiers on Friday, was published this week by the French-language newspaper El Watan.

Islamic insurgents have been fighting security forces for five years. More than 60,000 people have been killed.

Guerrillas Fire Warning Shots In Lima Seige

Compiled by Our Staff From Dispatches

LIMA — Marxist guerrillas holding 73 hostages in the Japanese ambassador's home fired shots early Wednesday, causing policemen who were on guard to race for cover.

The police were back in their positions soon after three bursts of automatic gunfire, apparently another warning to stay clear of the residence that Tupac Amaru guerrillas took over during a party on Dec. 17. The police surrounding the house were changing shifts at the time.

The shots were followed by silence and there was no movement inside the compound.

The shooting followed a day of unusual movements by security forces on Tuesday. The police moved to within a few meters of the front of the property, often running past and peeking through the open gates of the compound.

Some officers threw rocks into the driveway. The purpose of this was unclear.

The rebels, who are demanding the release of 300 jailed comrades, have fired shots four times in recent weeks. *(AP, Reuters)*

Pretoria Calms U.S. Over Syria Arms Deal

Reuters

PRETORIA — South Africa defused a foreign-policy spat on Wednesday, saying it would consult Washington before making a decision on a big arms sale to Syria, which the United States and Israel oppose.

The proposed sale to Syria of South African tank-firing and guidance systems, which came to light after a leak of cabinet papers this month, provoked a warning from Washington and an angry riposte from President Nelson Mandela.

Amr Nabeel/Agence France-Presse

WE WON'T GO — Palestinian refugees on the Libya-Egypt border demonstrating against returning to Tripoli a day after Libya said they could come back. The refugees were expelled by Libya in October 1995.

Libya Defies UN Ban on International Flights

Reuters

TUNIS — Libya said Wednesday that a Libyan plane had flown an official delegation to Ghana's capital, Accra, despite a 1992 UN ban on its international flights.

Libyan state-run television showed footage of a Libyan Arab Airlines plane and the main sign over an arrival hall reading Accra airport with Libyan officials being greeted.

The official Libyan news agency, JANA, monitored in Tunis, said an adviser to President Jerry Rawlings and a Ghanaian Foreign Ministry official greeted the Libyan delegation at the airport. The delegation was paying an official visit to Ghana, the agency said. It did not say when the plane landed in Accra and gave no other details.

Earlier on Wednesday, Libya said it had told the Security Council that it considered itself no longer subject to the air embargo after it gave permission for an American-piloted balloon to fly over its territory last week. Libya has violated the ban on international flights on several occasions.

France Hails Resignation Of Envoy Who Killed 2 Teens

Agence France-Presse

PARIS — France on Wednesday welcomed the resignation of Zaire's ambassador to Paris, who can now stand trial here over a car crash on the Riviera in which two teenagers were killed.

The Foreign Ministry said the decision, announced Tuesday by President Mobutu Sese Seko, would come as a relief to the families of the two 13-year-old victims.

Former Ambassador Ramazani Baya is accused of killing Raphael Lenoir and Ronald Lehartel on a pedestrian crossing as he drove to a meeting with Marshal Mobutu. The police say he was speeding at the time, driving at 100 kilometers an hour in a 30 kilometer zone.

"We are satisfied by the decision by President Mobutu, which will allow the judicial process to go ahead," said the Foreign Ministry spokesman, Jacques Rummelhardt. "The decision responds to the legitimate concerns of the families hit severely by this terrible tragedy, as well as requests made by President Jacques Chirac."

Mr. Baya left France after the Nov. 23 accident in the Riviera town of Menton. Since then, Zaire has come under intense pressure to lift his diplomatic immunity.

Marshal Mobutu, who returned to his Riviera villa recently to continue convalescence from cancer surgery, said Mr. Baya would return to France to face prosecution by the end of the week.

Officials in Kinshasa insisted Wednesday that Mr. Baya had not been dismissed, but had presented his resignation of his own accord. Officials noted that it is constitutionally impossible for a diplomat to be fired.

■ Incident in Moscow

The police said Wednesday that a Japanese diplomat ran over a pedestrian in central Moscow this week, causing the man's death, Agence France-Presse reported.

SHUNNED: *British Try a Ban to Halt Books About Elite Unit*

Continued from Page 1

former SAS sergeant and author of the best-selling "Bravo Two Zero" and it aroused little public fuss. Similarly, with little reaction, an informal ban was applied to some former members who showed up in a TV re-enactment of the unit's 1980 hostage rescue at the Iranian Embassy in London.

The formal blanket Defense Ministry ban, which covers Sir Peter, was another matter entirely. It was swiftly denounced by his admirers as "a great pity," "an insult" and a "humiliation."

"We don't distinguish between officers and other ranks," said a ministry spokesman. "Some sanctions have to be applied. This publicity has been damaging and it's got to stop," he said. "Regiments are tight, almost family units and we hope people would ask themselves if they are giving up part of their social lives for the sake of publication."

The unit came to international attention in April 1980, when an SAS team, masked and clad in black, stormed the Iranian Embassy with stun grenades and rescued diplomats from exiled terrorists. The SAS was deployed behind enemy lines during the Gulf War — with less success — to destroy Iraqi Scud missile launchers, and has been used to combat terrorism in Northern Ireland.

It was Sir Peter, commander of British forces in the Gulf War, who started the current publishing spree in the early 1990s with his books "Storm Command" and "Looking for Trouble." At least three other former SAS members soon followed his example.

The books were submitted to the Defense Ministry before publication, with some portions reportedly deleted after negotiations. Defense officials still did not approve, but had little recourse and found little sympathy in the British courts once cuts were made.

Current SAS members and recruits now must sign contracts promising never to write about their experiences.

Ministry officials have said privately in the past that they were concerned about the destruction of the "mystique" of the SAS, which they say breeds fear in an enemy, as well as about the compromise of classified information about methods and practices.

"We just don't feel that it's useful to continually draw attention to the techniques and the way they go about their business," said a spokesman Wednesday, declining to specify what secrets have been revealed.

The spokesman said the ban applied across the board. But Sir Peter, in a statement Wednesday, said he didn't think it applied to him.

Nevertheless, admirers took to television and radio in his defense. Retired Colonel Mike Dewar, an oft-quoted defense expert, called it a "great pity and a gross insult" to Sir Peter. David Clark, a defense spokesman for the Labor Party said he couldn't help "getting the feeling that because certain officers have got away with it in the past by publishing books, where the other ranks have been punished, that on this occasion Sir Peter is being made a scapegoat."

Winston Churchill, a Conservative member of Parliament and grandson of the wartime prime minister, called the ban a "ridiculous over-reaction."

EUROPE: *Expansion Problem*

Continued from Page 1

the EU two years of difficult negotiations to accept the wealthy, free-market countries of Sweden, Finland and Austria as its latest new members, said it was unrealistic to expect the poorer East European countries to enter as quickly.

The reaction of Dariusz Rosati, Poland's foreign minister, indicated that even in the East the idea that membership would take longer was settling in.

"We have a plan, the year 2000," he said. "But frankly, if I had to decide whether to enter in 2000 on poorer terms or in 2001 on better terms, I would prefer 2001."

The view of the European Commission is significant because the agency will prepare the assessments of the 10 candidate countries that EU leaders will use this year to select the first East European countries to enter membership talks.

In essence, the statement that not all Eastern countries would enter the Union at the same time indicated that the commission was likely to judge many as unprepared to start negotiations.

Some EU countries, particularly Germany, are pushing for the bloc to mimic NATO's enlargement process and open talks with a small number of countries. Bonn's favored candidates include the three countries that Western diplomats expect NATO to select at a summit meeting in Madrid in July: Poland, Hungary and the Czech Republic.

"That is the German interest," a German official said. "It is inconceivable to start with everybody because once you start, you cannot tell Lithuania or Bulgaria, 'Sorry, you are not ready.' " Seeking to soften the likely disappointment in several East European capitals, Mr. van den Broek said he would propose new measures to strengthen ties between the EU and countries that would have to wait for later negotiations.

"The differences with the other countries should be as small as possible," he told the seminar of European officials.

A German official said the EU would need to offer a "safety net" of aid or trade privileges to encourage continued economic reform efforts in the former Communist countries of Europe.

MEXICO: *The 'National Sport'*

Continued from Page 1

couraged and men long consider contraceptives a threat to virility, the casa chica was a standard fixture of the social landscape and a familiar backdrop for movies and novels.

One example drew the public spotlight last year when Maria Bernal, the mistress of the former president's brother, Raul Salinas, described how he set her up in a swank residence here only days after his marriage.

But many men with slimmer wallets than Mr. Salinas's have been forced to abandon their romantic hideouts during the financial crisis of the last two years.

"Business was bad, even for the millionaires," said Marisol Gonzalez, a real-estate agent in Mexico City's wealthy Lomas de Chapultepec section. "So men who had three casas chicas went to two. And many who kept two now only have one."

Carlos Welti, a demographer who has been studying Mexican sexuality for 20 years, said the decline of the casa chica was part of an evolution in sexual mores that has followed fundamental changes in the condition of women, including increased education and growth in the number who work outside the home.

Although the sexual realm has evolved, however, the sexual activities of politicians has never prompted much debate here, although over the years journalists have discreetly documented a series of not-so-discreet intrigues involving recent presidents.

Gustavo Diaz Ordaz, a married man who took office in 1964, carried on a fabled fling with a burlesque dancer. Jose Lopez Portillo, who took office in 1976, boldly appointed one of his young paramours to coordinate his cabinet. Mr. Salinas, also a married man, carried on several well-known dalliances that helped him construct a virile image; he now lives in Dublin with a former aide who has borne him a child.

But no politician had ever made adultery an issue. That is why Mr. Lopez Obrador's speech caused such a stir.

"Take care of your personal life," he told newly elected mayors from his party, whose founders split in the 1980s from the governing Institutional Revolutionary Party, known as the PRI.

"Share the emotion of public service with your wives and children. Don't be like the men of the PRI, who once in power show off a new woman and are the worst example for family unity."

Several male politicians expressed astonishment at the speech.

Lazaro Mazon Alonso, the mayor of Iguala, in the Pacific coast state of Guerrero, said: "This doesn't apply to me, because I'm single. In my town there can be a new first lady every month."

CARS: *Japan Tries to Tap Into Americans' Love of Rugged Terrain and 4-Wheel Drive*

Continued from Page 1

threat to American automakers, all of which lose money on their cars while making profits on sport vehicles and, to some extent, minivans and pickups.

"Without a doubt, the Japanese are going to be very aggressive" in the sport-vehicle market, said Alexander Trotman, chairman and chief executive of Ford Motor Co. For Detroit-based companies, he said, "the weakness of the yen just makes the task a lot harder."

It isn't that auto executives or analysts actually expect sales of American-brand sport-utility vehicles to fall. Drivers' appetites for these trucklike vehicles are still growing, and most new imported models are considerably smaller and less powerful than Detroit's brawny road hogs.

But by focusing on more affordable alternatives — American models often run as much as $30,000 or more — non-U.S. automakers may be stealing a march on Detroit.

Chrysler Corp., Ford and General Motors Corp. have dominated this market for years because many sport-utility vehicles began as little more than pickups with covered beds. With little expertise in truck-building, and with an initial skepticism that the craze would last, non-U.S. automakers dithered for years, introducing only a few models and not advertising them heavily.

Now, Japanese automakers are pouring into the U.S. market with sport vehicles built on the chassis of small and midsized cars. GM, Ford and Chrysler are all developing similar vehicles — Chrysler is even looking at a sport utility version of its Neon subcompact — but still have a couple of years' work to do.

Executives at Honda Motor Co. and Toyota Motor Corp., which are making the most ambitious pushes with the new Honda CR-V and the highly successful Toyota RAV-4, introduced last year, say each views the other as its main competitor. Both companies say they are particularly eager to offer sport vehicles to their millions of remarkably loyal car owners who might otherwise be tempted by American sport-utility offerings.

But these automakers also have an eye on people who used to buy upscale imported sedans and now drive large American sport vehicles instead.

"The defectors that went to Explorers and these other vehicles are going to come back, because we're going to give them an alternative," said Richard Colliver, senior vice president of Honda's auto operations in the United States.

Most new imported models will also be built abroad, which could add a couple of billion dollars a year to the American trade deficit with Japan and feed trade tensions. Automakers elsewhere want to make sure they can capture a large chunk of the market before investing in new factories in the United States to build sport vehicles.

Mitsubishi Motors Corp., for example, plans to import 30,000 to 35,000 Montero Sports this year, a model that went on sale in December for $17,620 to $31,110. "You need a minimum of 100,000 vehicles a year" to justify the assembly of a model in the United States, said N. Kevin Ormes, Mitsubishi's group vice president for sales and marketing. "Until you can get that kind of volume, you can't justify the costs."

But the biggest question is how large a share these automakers will capture of a huge and growing market. Sport vehicles claimed 14.2 percent of the American auto market last year, more than twice the 6.7 percent in 1990, and are catching on in Japan, Latin America and the Middle East.

A statistical analysis by Ward's Autoinfobank and DRI/McGraw-Hill, two data-research groups, predicts that as imported models pour in, the heady growth of American sport vehicles will moderate this year.

The new analysis also forecasts that Asian automakers will capture 21.6 percent of the sport-vehicle market, or 477,000 vehicles, this year, up from 19.2 percent last year, or 411,550. European automakers are predicted to double their share to 2.6 percent by 2000.

These vehicles are fabulously profitable. Ever since GM recovered its initial development costs years ago, it has been making as much $10,000 in pretax profit on each Suburban that it sells. Japanese companies' profits are likely to be less because they are selling smaller, less expensive vehicles in a more competitive market.

The strong dollar, which has rebounded nearly 48 percent from its low point against the yen and nearly 27 percent from its trough against the Deutsche mark in April 1995, is giving automakers elsewhere an extra lift.

The dollar's turnaround has produced a sharp reversal in the fortunes of Japanese automakers' subsidiaries in the United States, which now find it much more cost-effective to import vehicles and parts from Japan.

"It took the negative and turned it into a positive," said Richard Chitty, vice president for small cars at Toyota Motor Sales U.S.A. Inc.

Some American auto executives remain optimistic in the face of the latest competition. They say, for instance, that most of the new Japanese models — such as the Honda CR-V and the Toyota RAV-4 — have four-cylinder engines.

Most American sport vehicles have more powerful engines, leading Detroit executives to dismiss the other offerings as not big or rugged enough to satisfy buyers who dream of barreling down dirt roads in the Rockies.

Robert Lutz, Chrysler's vice chairman, said the Honda CR-V was likely to steal sales mainly from the Honda Accord and other imported cars, not from Chrysler's Jeeps.

For reasons that are not yet clear to market researchers, buyers of sport-utility vehicles tend to be far more brand loyal than car buyers are, so the relatively small market share of Japanese automakers in these segments means they cannot count on a lot of previous customers returning to buy the next model.

YELTSIN: *President's Return Stymies Opposition*

Continued from Page 1

perienced pneumonia after the operation but now he has no signs of pneumonia."

"It must be clear to any reasonable person that the sickness does not disappear without a trace in two weeks and that it is always followed by a certain period of asthenia: general weakness, helplessness. This must be taken into account."

At issue in the Duma was a resolution sponsored by a hard-line member of the Communist Party, Viktor Ilyukhin, which called on the upper chamber to join in seeking Mr. Yeltsin's removal for reasons of ill health.

The 1993 Russian Constitution says that if a president is incapacitated, the prime minister takes over and new elections are to be held within three months. But the constitution does not define who makes the determination about the president's health. The Duma passed no legislation to clarify it. The constitution makes separate mention of impeachment.

The upper chamber, made up of regional leaders, including many allies of Mr. Yeltsin, is unlikely to go along with any attempt to oust the president.

When the resolution first came up for a vote Wednesday, it passed 229 to 63 with one abstention. A minimum of 226 votes was required. But the first vote was called tentative and subject to further amendment. On a second vote, the tally was 87 for, 102 against and five abstentions. The resolution was not defeated, only deferred, and can be brought up next month for renewed debate.

Yelena Mazulina, a member of the centrist Yabloko faction, said the Duma was displaying indecision about the drastic step of ousting Mr. Yeltsin. "Such behavior, a lack of desire to make a final decision on this question, is evidence that you're afraid of yourselves and of that question you've raised," she said.

But Mr. Ilyukhin, the sponsor, lambasted Mr. Yeltsin for his prolonged absence from the seat of power. "The president has been to the Kremlin only four times over the last eight months. Today is the fifth time," he declared, adding that he believed Mr. Yeltsin's heart surgery was ineffective and that the president had signs of Parkinson's disease. Doctors have said the surgery was effective and they found no other evidence of disease.

Mr. Ilyukhin said subordinates were running the country in Mr. Yeltsin's stead, especially the widely disliked but powerful chief of presidential administration, Anatoli Chubais. Russia is being "run by people who lack constitutional powers," Mr. Ilyukhin said, adding, "It is we who must stop the bacchanal of imposture in state power."

POLAND: *General Fights NATO Priority on Civilians*

Continued from Page 1

Republic and Hungary can start the negotiating process leading to membership.

They would be the first countries once under the Soviet Union's mantle to join the organization, which was created to contain the Soviet military threat.

For a variety of reasons, Poland, the largest and strategically the most sensitive of the likely new members, has had more difficulty introducing civilian control of its military than the two others.

To attain membership, a process that is expected to take three years, the new countries must be approved by the parliaments of all 16 members, including a two-thirds majority in the U.S. Senate.

Civilian control of the aspirants' armies will be one of the core issues in the Senate review, defense specialists say.

Even though Lech Walesa, a former president, was a big promoter of Poland's membership in NATO, he refused to sign a bill mandating civilian control. That was because he wanted to keep the military and General Wilecki "on his side, just in case," a Western diplomat said.

President Kwasniewski, a former communist, surprised many when he signed the civilian control bill a year ago, shortly after taking office.

General Wilecki declined to be interviewed. He was quoted in the Polish press in late November as saying that Parliament's Defense Committee had been politically motivated in approving the regulations. "We'll see what this baby grows up to be," he said.

He told the parliamentary committee in November that he questioned the legality of the rules and threatened to take his challenge to the Constitutional Tribunal.

But Mr. Karkoszka said General Wilecki was particularly infuriated because in the reorganization of the defense forces, what is known as a land army has been established, under the command of its own general.

In effect this means that Poland, like the United States, will have three services — army, navy and air force — whose commanders report directly to the defense minister, instead of to General Wilecki. Poland's military has 220,000 troops, down from 460,000 during the Soviet era.

And, as in Washington, the chief of staff is to serve under the new system in a coordinating role.

But how and when the system is put into practice is an open question. Several Western defense officials said Poland was finally moving in the right direction. But they said General Wilecki's resistance would slow the process.

The Best International News' comes via the World's Daily Newspaper.

(Who are we to argue?)

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Herald INTERNATIONAL Tribune
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Priority to Hong Kong

It comes as no great surprise that China is seeking to cancel civil liberties and basic freedoms in Hong Kong. The surprise, if any, is how rapidly and unapologetically the Chinese steamroller is moving in. China seems totally heedless of, or oblivious to, the damage that such actions will bring to its reputation abroad, and to Hong Kong's chances of remaining prosperous.

The tiny British colony will revert to China on July 1. The Communist Chinese government has promised to follow a formula of "two systems, one country." That means allowing Hong Kong to keep the independent judiciary, unfettered media and respect for individual rights that have allowed it to flourish economically and politically.

But even before the official takeover, China is casting doubt on the value of its promise. The authoritarian rulers of Beijing have appointed a new, subservient legislature, which will take the place of Hong Kong's elected council. This past weekend a subcommittee of the handpicked Preparatory Council — meeting, appropriately, in Beijing — proposed rolling back a whole series of laws that guarantee freedom for Hong Kong's citizens. If formally approved by the National People's Congress, the proposals would allow detention without hearing, curtail the right to peaceful demonstration and repeal the Bill of Rights. The changes "strike at the heart of Hong Kong's civil liberties," said British Governor Chris Patten.

China responded to such criticism with huffy nationalist pride. "I want to remind the British authorities in Hong Kong that the government of China today is not the pre-1949 government," a spokesman said. "We cannot accept any instances of others trying to impose their will on us." This is pure nonsense; no one is imposing on China, and no one denies that China, with its 1.2 billion people, has the power to destroy the uniqueness of Hong Kong, with 6 million, if it so chooses.

But China also should understand that such a choice would have consequences. The citizens of Hong Kong would suffer most, of course, but China's economy would lose, too. And China cannot expect the international community to put faith in its promises — to win entrance to the World Trade Organization or in any other arena — if China breaks faith with Hong Kong.

The U.S. government has stated that a peaceful and successful transition for Hong Kong is a top foreign policy priority. How the new administration responds to this latest threat to Hong Kong's freedom will represent an early test of that commitment.

— THE WASHINGTON POST.

Repression in Indonesia

Few people outside Indonesia have heard of Muchtar Pakpahan, but his problems are a good index of how the country's democrats are faring.

The government is carrying out the most severe persecution in years of independent organizations and leaders such as Mr. Pakpahan, who is head of the nation's largest independent labor union. There has been little international outcry, and most of that from trade unions, partly because the Suharto government is currently not bothering Megawati Sukarnoputri, daughter of Indonesia's first president and leader of the opposition to President Suharto.

When the government engineered Mrs. Megawati's removal as head of her party last June, Indonesians rioted. Afterward, she was repeatedly called in for questioning. Since she has come to symbolize Indonesia's democracy movement, as Daw Aung San Suu Kyi does for democrats in Burma, her safety is taken internationally as a sign that all is well.

The current trials of political opponents are evidence of the government's anxiety over Indonesians' support for the opposition, especially because parliamentary elections are scheduled for May.

The government arrested Mr. Pakpahan on July 30, just after the riots, and charged him with inciting them. Unable to find evidence for the charge, it is instead trying him for subversion. He faces a long prison term and possibly the death penalty for criticizing Mr. Suharto's rule, Indonesia's brutal occupation of East Timor and the nation's economic gap between rich and poor.

Mr. Pakpahan is important not just as a political activist but as head of an independent trade union in a country that has repeatedly used troops to put down attempts by workers to strike or unionize. His trial is one reason the U.S. trade representative is sending a delegation to investigate labor rights in Indonesia next month. This is a welcome step, as Washington's desire for a good business relationship with Indonesia has led it to minimize abuses of workers there.

The Clinton administration should resume a review of whether Indonesia's labor practices make it ineligible for a trade status that currently allows it to export some products duty-free to the United States.

Besides Mr. Pakpahan, 12 labor or student leaders are being tried on charges of subversion. The government is putting pressure on Mr. Pakpahan's lawyer, Bambang Widjojanto, to testify against his client. It is also monitoring the activities and auditing the books — in one case going back to the 1970s — of environmental and human rights organizations.

Harassment of nongovernmental organizations is not the kind of repression the world gets excited about. Americans, especially, like to think of political events in terms of their effect on people we have heard of. But the real measure of a country's political health is the fate of those the world does not know.

— THE NEW YORK TIMES.

Gingrich Ought to Pay

House Speaker Newt Gingrich has earned an ignoble footnote in the history books. He is the first holder of his high office to be sanctioned for serious ethical violations. By a big margin, his colleagues voted to reprimand him and to impose a $300,000 penalty for actions that, by his admission, brought discredit on the House. Since Mr. Gingrich is clinging to a job he ought to give up, he should at least pay the fine out of his own money.

The ethics committee took a dive on this important question by failing to specify in his plea bargain that he could not use campaign funds to pay a debt that he incurred by giving false information to the ethics panel. It would be a final insult to the voters whose trust Mr. Gingrich has betrayed to let him pay his bills with their money or from a defense fund raised from favor-seekers. Let him dig into his book royalties.

That would not only be the right thing on principle. It would also be smart politics. Even Mr. Gingrich's ever obedient apologist, Representative John Boehner of Ohio, has acknowledged that. It is a shame that Representative Nancy Johnson has caved on the repayment issue and also tried to reinterpret Mr. Gingrich's behavior and her collapsed leadership of the ethics committee.

On the "Today" show, Ms. Johnson said Mr. Gingrich should pay "some" of the penalty out of his own funds, which amounted to an endorsement for his dodging part of his fine. Ms. Johnson also asserted that the ethics committee investigation had established that Mr. Gingrich's college course "itself was not partisan." This was a breathtaking distortion of the findings of James Cole, the counsel for the ethics subcommittee, who meticulously showed that the course had been part of a "coordinated effort" to promote Mr. Gingrich's "Republican revolution."

It remains a mystery why Ms. Johnson and so many other Republicans want to shield Mr. Gingrich from paying a just penalty for his misbehavior. Common sense tells us that there must be a silent bloc of Republicans who would like to be rid of Mr. Gingrich because he is a heavy political liability and because Mr. Cole's report details egregious misconduct that should be disqualifying for the person who stands third in line to the presidency.

Mr. Gingrich has asked for a week or so to think about whether he will pay his fine himself or use other people's money. Maybe the heretofore compliant Republicans who believe in ethical government ought to urge him to do the honorable thing, unless they know in their hearts that it would be pointless.

— THE NEW YORK TIMES.

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NATO Expansion as a Crafty Consolation Prize

By Thomas L. Friedman

WASHINGTON — Sometimes the news is in the noise and sometimes in the silence. If you want to understand what is wrong with NATO expansion, the new Clinton administration's first major foreign policy challenge, listen to the silence, the silence of Europeans on this subject.

The West Europeans support NATO expansion, but it is nothing they ever seem to talk much about or debate. They treat it as something that America will take care of, something that America that will finesse with the Russians and that America will pay for.

And that is the news. The West European states are the ones supposedly most threatened by a resurgent Russia, which is right next door. They are the ones supposedly most in need of the East Europeans' joining NATO to create a buffer with Russia. And yet the members of the European Union seem about as interested in NATO expansion as they are in the Super Bowl.

Why? Because the West Europeans think that the real threat to them is not Russia but Eastern Europe.

The Poles, Hungarians, Czechs and others clamoring to join NATO are the ones who really scare the EU. The EU members know that Russia is no threat to them now. What threatens them are all those new East European free market democracies, whose factories and farmers want to export to Western Europe at prices that will undercut the West Europeans, and whose workers want to flock to Western Europe for jobs, which would drive down wages.

Russian missiles and tanks are a nebulous, distant danger. Polish hams and workers are a clear, present danger.

NATO expansion is the bone that EU members throw to East Europeans instead of letting them into the Union, which is what they really want and need. That is what would really bolster their democracies.

For the West Europeans, NATO expansion is the ideal way to block the East Europeans from becoming members of the Union — without feeling guilty about it. As Michael Mandelbaum of Johns Hopkins University deftly noted: "We are going to extend the NATO nuclear umbrella to the Eastern Europeans, so that the Western Europeans won't have to buy their tomatoes." It's like America telling Mexico it can join NATO but not NAFTA.

The European Union assumes that the United States will just go along with this sham. But it should take note of some alarm bells that have just been rung. The first came from outgoing Defense Secretary William Perry, who began a farewell interview by remarking to me that the Russians are still not on board at all for NATO expansion.

"I believe it's going to be very difficult," he said. "The Russians, at all levels, are opposed to NATO enlargement. At all levels they are still nervous, suspicious and fearful of NATO."

He said he believed in expansion, and that the Russians must persuade their public that this poses no threat to them. But he argued that it was imperative to forge a NATO-Russia charter that provides a framework for involving Russia in some NATO decision-making and thus calms Russian concerns. A NATO team was in Moscow on Monday to explore such a charter.

Even if it succeeds, the Europeans should heed a second alarm, from Senator Joseph Biden of Delaware, the ranking Democrat on the Senate Foreign Relations Committee: "I have serious reservations about NATO expansion."

Mr. Biden does not object to NATO enlargement in principle, but he is not yet convinced that it can be done without undermining U.S. arms control treaties with Russia or the course of reform there. Even if it can, he is not certain that the benefits would be worth the price.

He wonders whether NATO actually is the best way to bolster democracy in Eastern Europe. "If we are really going to alienate the Russians," he asks, "what are we going to get for it?"

None of this has been debated by the U.S. public or Congress, said Mr. Biden, and until it is, anyone who assumes that Congress is on board for this is making a big mistake.

The New York Times.

Offstage in Moscow, a Succession Storm Is Gathering

By Jim Hoagland

WASHINGTON — Recent visits to Washington by two former Soviet military leaders turned Russian politicians have left the foreign policy experts, journalists and others they met scratching heads and studying notes, hoping to find in the generals' words and ambitions a glimpse into Russia's future.

First came the visit of the charismatic Alexander Lebed. Last week came the more puzzling Alexander Rutskoi, the ex-general who was Boris Yeltsin's vice president until he led an unsuccessful armed revolt in 1993. Amnestied from treason charges by President Yeltsin's enemies in the Duma, Mr. Rutskoi has again re-created himself, this time as a populist politician.

Three months ago he was elected governor of the economically and politically important Kursk oblast by an overwhelming majority. Last week he came to America insistently seeking foreign investment for Kursk and the kind of political approval from Americans that was once a firing squad offense in Moscow.

At a luncheon organized by the Nixon Center in Washington, Mr. Rutskoi heaped praise on the late President Nixon, voiced hope that Mr. Yeltsin would quickly recover from continuing serious illness, and promised to run his oblast's economy on Keynesian principles, which he had difficulty in defining.

"I really loved this man," Mr. Rutskoi said, through a translator, of Nixon. "Since I entered politics in 1990, I met with him every time he came to the Soviet Union or Russia. You could speak frankly and directly with him."

Asked what would happen if Mr. Yeltsin disappeared, he expressed horror at the chaos this would cause: "God prevent him from stepping down now, in these economic conditions. I wish him healthy again as soon as possible ... I know his weak and his strong sides ... We will work together again."

Asked the same question, Mr. Lebed, who spoke to think tanks and other audiences during his visit in November, did not bother to hide his sense that the Yeltsin era was ending rapidly and power would flow to him in the months ahead.

If the president recovers, Mr. Lebed had said, he will find out how he "has been cheated" by his staff and how badly the economy is being run. "I will return and jointly we will start taking measures to prevent collapse." If Mr. Yeltsin goes? "Well, I have plans."

Mr. Lebed, once seen as Mr. Yeltsin's chosen heir but dumped from his job as national security adviser in October after Mr. Yeltsin won reelection in July, clearly believes that he can win a democratic election if it is held this year. Many others also believe that he has that power, including Mr. Rutskoi. That at least is how I read Mr. Rutskoi's fervent wish that the man he once tried to topple stay well and in power as long as possible.

The longer Mr. Yeltsin holds on, infirm but still in office, the better it is for Mr. Lebed's rivals and for those like Mr. Rutskoi who have just arrived at the political trough and are still organizing their power and rewards.

The trips by the two men to the United States convey multiple, partly hidden meanings. Their conflicting remarks about Mr. Yeltsin's future suggest to me, as do diplomatic reports from Moscow, that Mr. Yeltsin has never really recovered from his heart surgery last autumn and is gravely ill. An intense, real power struggle is already being waged in the shadows in Moscow.

Americans should find it reassuring that the road to political and economic power for Russian politicians now includes visits to America and effusive praise for democracy and free markets. "We don't have to fix our economy, we have to release it, to let it dare," Mr. Lebed said.

Whatever level of sincerity lies behind such declarations, the men who utter them find it necessary to appeal to constituencies at home and abroad who do believe in democracy and economic freedoms. Democracy has sunk roots in Russia at least to that extent.

But those roots are still just below the surface. "Democracy means first of all law and order," Mr. Rutskoi said, disparaging the Duma as unnecessary. "We need a strong, predictable authority in charge," Mr. Lebed said, promising to stamp out corruption among his political rivals.

A storm is gathering offstage in Moscow. Outsiders are not likely to be able to ignore it much longer.

The Washington Post.

Inevitable Clashes Between Civilizations? Don't Believe It

By William Pfaff

PARIS — Samuel P. Huntington's claim that our future may be one of wars between civilizations has finally appeared as a book, three and a half years after the argument was launched in the quarterly Foreign Affairs.

I attacked the Huntington thesis when it first appeared. Despite the disclaimer of inevitability with which the new book ends, and its pertinent remark that the real struggle is between civilization and the forces of barbarism, nothing in the new version changes my view that the Harvard professor's case is misconceived, curiously ignorant in its treatment of history and politics, and a disastrous guide to thinking about international affairs and national policy.

The book, called "The Clash of Civilizations and the Remaking of World Order," is a characteristic product of the academic discipline, American political science, in which Mr. Huntington is an eminent figure.

That discipline emerged in the 1950s and has attempted to make political studies into a science on the model of the natural sciences, so as to produce objective and quantified conclusions, and reliable forecasts.

Its critics would argue that what it has actually accomplished is to cloak much opinion and prejudice in a language modeled upon that of science, and by so doing has increased the influence of prejudice and political bias on national policy.

Mr. Huntington's book cites much social science theory and provides many tables concerning the characteristics of civilizations, but in the end his argument is a matter of simple assertions that are neither self-evident nor proven.

He says that the future will bring wars between civilizations, since civilizations have replaced nations as the dominant source of peoples' identity. He has a particular war in mind, between the United States ("the West") and "Islamic civilization," the latter allied with "Confucian" or Sinic civilization (meaning China).

He discusses other civilizations in his paradigm, but his focus is on Islam. As the Islamic countries do not as yet produce high-technology weaponry, the threat he foresees is that of Islam armed by China.

This obviously is a simple combination and projection into the future of two current preoccupations of the American policy community, Islamic fundamentalism and terrorism, and China's rivalry.

My first objection to this argument is that civilizations do not have governments and armies. There is no authority to declare war.

The second is that Islam has no common set of political or economic interests. Indonesia is an Islamic country. So is Somalia. They have little in common, other than religion. Each has its own interests and grievances, which are not those of Egypt, Turkey, Iran, Iraq, Algeria, Turkmenistan or the Kingdom of Morocco. Why should they all want to go to war with the United States?

Mr. Huntington answers by saying that the Asian Muslims occupy "sub-civilizations" so might stay out of a conflict with the West, and that civilizations have "core states" to take decisions for them. In the Islamic case this is supposed to be Egypt. But Egypt is closely linked to the United States today.

Egypt, Iran, Iraq, Saudi Arabia, Pakistan and even Libya have all been allies of the United States at one or another time since the World War II. The author has little to say about that, or about the political causes of the tension that now exists between some Islamic countries and the United States.

He manages to discuss Arab hostility to the United States without connecting it to American support for Israel.

He implies that Islamic fundamentalism will dominate the Islamic world in the future, and asserts that Islamic society is inherently violent and intolerant, "involved in far more intergroup violence than peoples of other civilizations."

He blames the war in former Yugoslavia on the Islamic minority there, whose numbers inspired in the Serbs "genocidal" fears. This provoked Serbian nationalism and caused the Serbs to attack Croatia, and then the Muslims in Bosnia.

"Massive civilization rallying" followed, he says; all of Europe's Catholic nations backed Croatia, all the Orthodox ones backed Serbia, and all the Muslims were for Bosnia. All the United States (and NATO?) gave Bosnia was "A noncivilizational anomaly in an otherwise universal pattern". This is confused nonsense.

The fundamental objection to the Huntington argument is that he denies human responsibility. Governments, leaders and individuals will not be responsible for future wars. War will be produced by a cultural phenomenon, the civilization. This is like blaming war on race.

If this were true, future wars would have no final resolution short of extermination. If Muslims or Chinese have to fight the West because they are, who they are, and we are who we are, there is no solution. Being Muslim, Chinese or Western is not a negotiable matter.

It is hard to believe that Mr. Huntington sees the mortal implications of what he has written. Fortunately, it is untrue.

International Herald Tribune.
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Doing Pretty Well, and Worried

By Ellen Goodman

WASHINGTON — This is the word that keeps coming to my mind, like a single emotional flag raised over the week of the 53d presidential inauguration: Sober.

I do not say that to rain on the Inaugural Parade. Nor to argue with the people who had an inaugural ball. I am a goosebump patriot. I came here for the pageantry, the sound of Jessye Norman's voice, the citizen collage of hats and scarves, the democratic ritual. And I got what I came for.

But the weekend celebration carried a sober aura around its glittering, glitzy center. The subdued image of the times kept reappearing, like the pentimento under a painting, long after the Clintons filled their dance card and went home to bed.

Saturday night, I watched the fireworks light the capital city's skies, a show that brought thousands of celebrants out into the bitter cold to register their excitement. These fireworks also brought 911 calls from worried folks of the inner city who thought they were hearing a shootout.

At noon on Monday the president was sworn in by the chief justice. A week earlier, this justice had heard arguments in the Paula Jones case. At lunch Bill Clinton talked of working with Newt Gingrich. This speaker was about to be reprimanded and required to pay a $300,000 penalty.

These are sobering moments in any memory book.

Nevertheless this was also an inauguration built relentlessly around the metaphor of a bridge. It was a three-day event that insistently, redundantly pointed us ahead.

Indeed, at times the forced march to the millennium became as mixed an emotional metaphor for this inauguration as the Barney who appeared in one of the futuristic tents on the mall. What do you make of a dinosaur for the 21st century?

At one event, I heard Elie Wiesel tell an audience at the Holocaust Museum: "The wife of Lot was unjustly punished. It is human to look backward." We need to remember. As Mr. Wiesel said, "We look forward with our backs to the future."

But what kept me sober this week was our difficulty looking forward. We do not seem to be embracing the territory that Americans once claimed as our own.

Four years ago the first baby-boomer president took the keys to the car from our fathers' generation. In 1992 there was the sense of a fresh start. There was an expectation of boldness. Now it seems to have dissipated. The president delivered a speech riddled with internal conflicts, his and ours, about the future.

It was a sober speech about "bright new prospects," but without a concrete promise to fulfill the great promise.

In one sound-bite moment, Mr. Clinton said that "America demands big things from us, and nothing big ever came from being small." Even the Clinton supporter near me responded sarcastically, "Well, nice line." These are small-minded times.

The president spun utopian visions of a land with schools that "have the highest standards in the world," with parents and children who "have time not only to work but to read and play together." He described streets without drugs or guns, and spoke of an era when today's permanent underclass is middle-class.

But how many of us believe we are headed there? Or, more to the point, that Bill Clinton is leading us there?

Americans are the worried well, living in the present tensely. Standing on the edge of a century that often looks a precipice, we are jittery.

We are at peace, but feel vulnerable. We are at work, but feel less secure. We are raising children, but have less confidence in ourselves as parents. Some worry that the best is behind us. And others worry that these may turn out to be our good old days.

This is how the second term begins. There is no unpacking to be done by the presidential couple, although they carry much baggage. At the turn of another quadrennium, the marching bands go home, and the government goes to work with a sober thought: It will not be easy to make any of us look ahead.

The Boston Globe.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Kites for War

NEW YORK — A successful experiment with war kites was made on Governor's Island yesterday [Jan. 22] by Lieutenant Hugh Wise, of the U.S. Army. The kites carried him 40ft. above ground, and Lieutenant Wise was satisfied that the kites could have carried him as high as necessary for military purposes, but, having no parachute, he did not care to venture higher.

1922: The Pope Dies

ROME — Pope Benedict XV died at six o'clock this morning [Jan. 23]. The Cardinals and members of the Papal Court were summoned at 5.30, and were present until the Pope breathed his last. His heart continued to beat until six o'clock when Dr. Cherubini said gravely: "The Pope has passed away." Cardinal Merry del Val carried out the time-honored ceremony of calling the Pope three times by his Christian name, Giacomo della Chiesa. When after the third call no answer was received, the cardinal turned to the members of the Papal Court, who were deeply moved, and announced: "The Pope is really dead."

1947: Couture Talk

PARIS — A French radio program sponsored by the Haute-Couture Syndicate featured a group of midinettes eager the world should hear their hopes, desires and headaches. One said the girls would like to see "what goes on" in the salons, where the fruit of their toil, the collection, is shown every day to private trade and buyers. One speaker was asked what the label in a dress actually stood for. She replied: "It is a mark of French quality" but was obliged to enlarge on this as many present did not get the full meaning.

OPINION/LETTERS

We Still Drift Toward 'Unparalleled Catastrophe'

By George Lee Butler

WASHINGTON — At the National Press Club in early December, I gave an intensely personal expression of my views on the case for the elimination of nuclear weapons. I hoped to convey the growing sense of alarm that I had felt over the course of my long experience in the nuclear arena — including my tenure as commander in chief of the U.S. Strategic Command, which controls all navy and air force nuclear weapons — and how this has now evolved to a singular goal: to bend every effort, within my power and authority, to promote the conditions and attitudes that might someday free mankind from the scourge of nuclear weapons.

As I survey the response of what appears to be a rather astonished world, I am by turns encouraged, disappointed and dismayed.

Encouraged, by the flood of supportive calls and letters I have received from every corner of the planet because the issue has now been widely joined, with great interest and intensity, and because I can discern the makings of an emerging global consensus that the risks posed by nuclear weapons far outweigh their presumed benefits.

Disappointed, thus far, by the quality of the debate, by those pundits who simply sniffed imperiously at the goal of elimination, aired their stock Cold War rhetoric, hurled a personal epithet or two and settled smugly back into their world of exaggerated threats and bygone enemies. And by critics who attacked my views by misrepresenting them, such as suggesting that I am proposing unilateral disarmament or a pace of reduction that would jeopardize the security of the nuclear-weapon states.

And finally, dismayed that, even among more serious commentators, the lessons of 50 years at the nuclear brink can still be so grievously misread; that the assertions and assumptions underpinning an era of desperate threats and risks prevail unchallenged; that a handful of nations cling to the impossible notion that the power of nuclear weapons is so immense their use can be threatened with impunity, yet their proliferation contained.

Albert Einstein recognized this hazardous but very human tendency many years ago, when he warned that "the unleashed power of the atom has changed everything save our modes of thinking, and thus we drift toward unparalleled catastrophe."

Many well-meaning friends have counseled me that by championing elimination I risk setting the bar too high, providing an easy target for the cynical and diverting attention from the more immediately achievable. My response is that elimination is the only defensible goal, and that goal matters enormously. All of the declared nuclear-weapon states are formally committed to nuclear abolition in the letter and the spirit of the nonproliferation treaty.

No one is more conscious than I am that realistic prospects for elimination will evolve over many years. I was in the public arena for too long ever to make the perfect the enemy of the good. I hasten to add, however, my strong conviction that we are far too timorous in imagining the good; we are still too rigidly conditioned by an arms control mentality deeply rooted in the Cold War.

How should the United States see its responsibility for dealing with the conflicted moral legacy of the Cold War? Russia, with its history of authoritarian rule and a staggering burden of social transformation, is ill equipped to lead on this issue. It falls unavoidably to us Americans to work painfully back through the tangled moral web of this frightful 50-year gantlet.

As a democracy, we were confronted with a tortuous and seemingly inextricable dilemma: how to put at the service of our national survival a weapon whose sheer destructiveness was antithetical to the very values upon which our society was based? Over time, as arsenals multiplied on both sides and the rhetoric of mutual annihilation grew more heated, we were forced to think about the unthinkable, justify the unjustifiable, rationalize the irrational. Ultimately, we contrived a new and desperate theology to ease our moral anguish, and we called it deterrence.

I spent much of my military career serving the ends of deterrence, as did millions of others. I want very much to believe that it was the nuclear force that I and others commanded and operated that prevented World War III and created the conditions leading to the collapse of the Soviet empire. But, in truth, I do not and I cannot know that it was. It will be decades before the hideously complex era of the Cold War is adequately understood, with its bewildering interactions of human fears and inhuman technology.

It would not matter much that informed assessments are still well beyond our intellectual reach — except for the crucial and alarming fact that we continue to espouse deterrence as if it were now an infallible panacea. And worse, other nations are listening, have converted to our theology, are building their arsenals, are poised to rekindle the nuclear arms race — and to reawaken the specter of nuclear war.

What a stunning, perverse turn of events. In the words of my friend Jonathan Schell, we face the dismal prospect that "the Cold War was not the apogee of the age of nuclear weapons, to be succeeded by an age of nuclear disarmament. Instead, it may well prove to have simply been a period of initiation, in which not only Americans and Russians, but Indians and Pakistanis, Israelis and Iraqis, were adapting to the horror of threatening the deaths of millions of people, were learning to think about the unthinkable. If this is so, will history judge that the Cold War proved only a sort of modern-day Trojan Horse, whereby nuclear weapons were smuggled into the life of the world, made an acceptable part of the way the world works? Surely not, surely we still comprehend that to threaten the deaths of tens of hundreds of millions of people presages an atrocity beyond anything in the record of mankind? Or have we, in a silent and incomprehensible moral revolution, come to regard such threats as ordinary — as normal and proper policy for any self-respecting nation?"

This cannot be the moral legacy of the Cold War. And it is our responsibility to ensure that it will not be.

General Butler, commander in chief of the U.S. Strategic Command, retired in 1994. This article was adapted by The Washington Post from a speech he gave this month at the Henry L. Stimson Center in Washington.

The Melanoma Mystery, Or Don't Look at the Sun

By Laurent Schwartz

PARIS — Diseases live and die. The scourge of the early Middle Ages was leprosy. The great plague killed up to half the population of entire cities before finally fading from Europe in the early 18th century. Tuberculosis was the killer of the 19th century; cardiovascular disease is the major problem of our time. It looks as if cancer will be the scourge in the 21st century.

The most common forms of skin cancer are basal cell carcinoma and squamous cell carcinoma. They are caused by exposure to ultraviolet rays and appear on the face and hands. These tumors are usually benign. They very rarely kill.

Melanoma is the deadliest form of skin cancer and is now the most rapidly increasing cancer among whites. In Canada, for example, its incidence has more than doubled in 25 years. It has tripled among whites in the United States in that time.

Melanoma has become a major public health concern. It is the second leading cause of cancer deaths in American white males aged 15 to 35.

The steep increase in melanoma mortality rates for U.S. whites from 1973 to 1988 cannot be solely attributed to earlier diagnosis of the problem, change in diagnostic criteria or an increase in the proportion of excised lesions that are referred for laboratory examination.

Although all pigmented lesions change over time, melanomas do so — in size, shape or color — rapidly, in weeks to months. The main clinical features of melanoma are a change in a lesion's size, color or shape, inflammation, bleeding or crusting.

The treatment is surgical excision. The survival rate is above 95 percent when diagnosis is early. The prognosis for those with large lesions is poor, however, mainly because the disease spreads to other organs.

Less than 20 years have passed since the first studies linking sun exposure to melanoma were published. In 1992, the International Agency for Research on Cancer, in a comprehensive review, concluded that "solar radiation causes cutaneous melanoma."

But the commonly assumed relation between melanoma and sun exposure may not exist.

Ultraviolet radiation can cause melanoma in a fish but not, apparently, in any other animal.

Ultraviolet rays are known to create specific genetic lesions, which are found in other types of human skin cancer (basal cell and squamous cell carcinoma) known to be caused by ultraviolet rays. But these mutations are not found in human melanoma.

Epidemiological data are also not straightforward. Melanomas are rare on the face and hands, which of course are the areas most exposed to the sun. People who are continuously exposed to ultraviolet rays — farmers, for example — are at lower risk.

Jonathan L. Rees wrote last January in the British Medical Journal: "The arguments relating melanoma to sun exposure are well rehearsed, but the relation is not nearly as clear-cut as it is between sun exposure and squamous cell malignity. Most melanomas occur on skin that is only intermittently exposed."

Several measures for avoiding melanoma, including staying out of the sun and regularly using a chemical sunscreen, have been recommended. But while sunscreens are known to prevent sunburn, their use has not made a dent in the melanoma epidemic.

After the skin, eyes are the most common site for melanomas. Under the microscope an eye melanoma is indistinguishable from a cutaneous melanoma, yet these ocular tumors arise in areas that ultraviolet rays cannot reach.

This epidemic should be reassessed. There is no robust evidence to support most of today's measures to prevent melanoma. Concentrating attention on ultraviolet rays — indeed, on sunlight itself — could mean precluding better explanations.

The writer, a physician and molecular biologist, is a senior staff member in the department of radiology at Saint-Louis Hospital in Paris. He contributed this comment to the International Herald Tribune.

MEANWHILE

LETTERS TO THE EDITOR

Nuclear Utilities

Regarding "Who Will Pay for Nuclear Plants?" (Finance, Jan. 4):

As a Chicago government official directly concerned with the imminent restructuring of the electric utility market in the United States, I was greatly interested in this article.

Chicago is saddled with the highest utility rates in the Midwest because of the huge investment in nuclear energy undertaken by the area's electric utility, Commonwealth Edison. Restructuring of the electric market to allow open competition could free ComEd's overcharged ratepayers to seek lower-cost electricity, avoiding the high rates inflated by the utility's nuclear debt service.

However, as the article discusses, nuclear utilities such as ComEd are proposing "exit fees" as part of the restructuring, to be charged to consumers who choose to leave old monopolies and buy energy on the new open market.

The article reports the utilities' argument that, if the transition to free markets is too fast, they could be "badly punished on Wall Street" if "shareholders are asked to pick up more of the tab, in the form of reduced profits and dividends."

So? Isn't this the very function of Wall Street? Risk is to be borne by the shareholders, who stand to benefit from sound investments and bear the burden of bad ones. The "discipline" of the free market requires that the shareholders bear the cost of the utilities' bad nuclear investments, not pass the costs to the captive ratepayers. This isn't punishment, it's capitalism.

The article also reports that the nuclear investments "look wastefully expensive in hindsight." Well, not just in hindsight; they looked bad in prospect, too. These investments were made over the strong and sustained objections of consumers and environmentalists that these nuclear plants would be bad investments financially, environmentally and socially.

HENRY L. HENDERSON.
Chicago.

The writer is commissioner of Chicago's department of environment.

Bulgarian Perfidy

Regarding "Bulgarian Dialogue?" (Editorial, Jan. 15):

The statement that "the government response suggests that a political dialogue may be possible" is absurd and naive. The Bulgarian Socialists/Communists in power never kept a promise and never meant a word they said. Their agreement to the protesters' demands for early elections is a well-known trick to remain in office for as long as possible.

Generalizations about the ruling party and the opposition speak of ignorance. In fact, the efforts of the opposition to "get things done" were blocked by the Socialists. Masters of intrigue and perfidy, true disciples of their old Moscow mentors, they have deceived natives and foreigners alike.

Bulgaria's Socialists/Communists are governed by a disrespect for the rule of law and a contempt for the nation's welfare. Their place is not at the table "of serious negotiations." Their place, rather, should be yesterday.

SUKA PASTRAKOVA.
London.

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BOOKS

THE ISLAND OF THE COLORBLIND

By Oliver Sacks. Illustrated. 298 pages. $24. Alfred A. Knopf.

Reviewed by Christopher Lehmann-Haupt

PART of the fun and challenge of reading Oliver Sacks's engaging new book, "The Island of the Colorblind," is pulling together in your mind its disparate elements. "This book is really two books," Sacks begins his preface, "independent narratives of two parallel but independent journeys to Micronesia."

Sacks, the author of "Awakenings" and "An Anthropologist on Mars" continues, "I went to Micronesia as a neurologist, or neuroanthropologist, intent on seeing how individuals and communities responded to unusual endemic conditions — a hereditary total colorblindness on Pingelap and Pohnpei; a progressive, fatal neurodegenerative disorder on Guam and Rota."

When he returned to his home on City Island in New York, he eventually saw the "connection and meaning" of his experiences, and began to write.

But he leaves to the reader the task of working out that connection and meaning. Moreover, when he did begin to write, the book began to grow, as he puts it, like an unruly plant.

"Since the offshoots, in volume, now started to vie with the text," he writes, he decided to place "many of these additional thoughts together, as endnotes." So as well as making the connections, the reader must also figure out how to read the book: text and then endnotes, or text and endnotes together.

As it turns out, you find yourself switching back and forth, reading the endnotes as they are cited in the text. Remarkably, they prove to be both welcome and not in the least distracting. The narrative drive in each of the two main sections is strong enough in its particular way to give leeway to diversion.

In the first section, "The Island of the Colorblind," this drive is provided by the interaction between Knut Nordby, a colorblind Norwegian scientist whom Sacks invited along on his Micronesian journey, and the natives of the region who are similarly afflicted.

Total congenital colorblindness, or achromatopsia, is a scary disease in that it not only forecloses all sense of color but also makes its victims painfully sensitive to light.

In Sacks's telling, Nordby lends comfort to those affected, nearly 8 percent of the population, by showing them they are not alone in the world and by presenting them with visual aids like sunglasses to protect them from the light. The islanders pay back Nordby and his companions by teaching them about their culture and by sharing their lives.

In the second section, "Cycad Island" after the ancient palmlike evergreens that happen to be one of Sacks's obsessions, the narrative drive is that of a medical whodunit, or, more exactly, a what-caused-it. What accounted for the neurodegenerative disorder that the people of Guam, the Chamorros, call *lytico-bodig*?

Sacks writes, "The disease, seemingly, could present itself in different ways — sometimes as 'lytico,' a progressive paralysis that resembled amyotrophic lateral sclerosis (ALS, or motor neuron disease), sometimes as 'bodig,' a condition resembling parkinsonism, occasionally with dementia."

It appears to show up in families, which suggests that it is congenital. But it also is disappearing, which implies an outside cause. A suspect for a time was the author's favorite plant, the cycad tree, whose seed, despite being toxic, is used to make a form of flour the Chamorros call *fadang* or *federico*. But the solution to the problem has proved to be complex and elusive.

So given the flow of these narratives, you don't in the least mind pausing to swim up Sacks's tributaries of thought. And the places they take you prove fascinating, whether they are medical arcana, philosophical speculations or literary asides. You read them avidly and then float right back into the mainstream.

As for what ties the whole book together, the secret is as elusive and complex as in any work of literary art. But you get some inkling in an autobiographical section near the end, where Sacks recalls his childhood fascination with ancient plants and his night-dreams of "peaceful, swampy landscapes of 350 million years ago, a Paleozoic Eden," from which he "would wake with a sense of exhilaration, and loss."

HE adds: "I think these dreams, this passion to regain the past, had something to do with being separated from my family and being evacuated from London (like thousands of other children) during the war years. But the Eden of lost childhood, childhood imagined, became transformed by some legerdemain of the unconscious to an Eden of the remote past, a magical 'once,' rendered wholly benign by the omission, the editing out, of all change, all movement."

To realize these dreams seems in part what drew him to his South Pacific islands. Of course, they proved no Eden, but instead places of disease and ecological disaster, where, as he writes, on Guam at least, bird life has been wiped out by climbing snakes so numerous that they daily get into the island's transformers and cause electrical failures known as "snakeouts," and where, on Rota, the "unique forests" are being destroyed "on a fearful scale, most especially with the building of Japanese golf courses."

Still, Sacks's humane inquisitiveness lends a philosophical perspective to every threatening change. His scenes are stills from the moving picture of timeless evolution. And the way his subjects accept their fate redeems his story from gloom, even lending it a certain gaiety.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

THE Greater New York Bridge Association named Jim Krekorian Player of the Year for 1996.

The following deal helped Krekorian win the District North American Pairs. Sitting South, playing with Bob Blanchard, he bid three no-trump over East's one club.

This bid usually shows a long solid minor suit with a stopper in the opener's suit. Based on this, West should have tried a major-suit lead, and the choice was crucial.

After a heart lead, South would have had the first nine tricks, and after a spade lead, the defense would have made at least eight and perhaps nine.

West's actual diamond lead was poor, and South could count nine tricks. But this was match-point scoring, and he wanted an overtrick. Leading a club toward the king was tempting, but West's failure to lead a club suggested that he held the ace.

So South cashed all his diamond winners, and a slight discarding error by East left this ending:

NORTH
♠ Q 9 5
♡ A K J
♢ —
♣ —

WEST
♠ 10 8
♡ 6
♢ —
♣ A 9 7

EAST
♠ A K
♡ Q 10 9
♢ —
♣ Q

SOUTH
♠ 3 2
♡ 4 2
♢ —
♣ K 8

South led a spade, East won and led the club queen. Judging the position accurately, Krekorian played low and could not be prevented from scoring the overtrick.

West did his best by winning the club trick and playing his remaining heart, but South countered by winning in dummy and leading a spade, scoring two heart tricks in dummy at the finish.

NORTH (D)
♠ Q 9 5 4
♡ A K J 9 5
♢ 7 3
♣ 3 2

WEST
♠ 10 8 7
♡ 8 3
♢ 9 8 5 4
♣ A 9 7 6

EAST
♠ A K J 6
♡ Q 10 8 7
♢ —
♣ Q J 10 5 4

SOUTH
♠ 3 2
♡ 4 2
♢ A K Q J 10 8 3
♣ K 8

The bidding:

North	East	South	West
Pass	1 ♣	3 N.T.	Pass
Pass	Pass		

West led the diamond six.

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HEALTH/SCIENCE

TOMORROW: LEISURE

Hepatitis C: Progress in Preventing an Insidious Disease

By Jane E. Brody
New York Times Service

NEW YORK — The virus that causes AIDS, HIV, is hardly the only virus that can invade the body and wreak havoc for years without the person even knowing it is there.

Another insidious and perplexing organism, already present in more than 3.5 million Americans, is the virus that causes hepatitis C. When it first infects a person, it may produce no discernible symptoms. But while still in hiding, it can disrupt vital functions of the liver, and in the long run it may severely damage the liver, causing cirrhosis, organ failure and even cancer.

Although most Americans are far more familiar with hepatitis A, transmitted through contaminated food and water, and hepatitis B, transmitted through infected blood and semen, it is the more recently identified hepatitis C, transmitted mainly through blood, that is responsible for more deaths than the other two versions combined.

As with HIV, no treatment exists that is certain to squelch the virus permanently. Even when treated with a virus-suppressing drug soon after it is acquired, the hepatitis C virus is likely to result in a chronic liver infection.

Organ damage caused by the virus is one of the leading reasons for needing a liver transplant. The virus is rarely responsible for failure of the transplant but nearly always invades the new liver, sometimes within a few weeks, and damages it.

With nearly 1.5 percent of the U.S. population already infected with the hepatitis C virus, the eventual effects of chronic infection make it a growing and costly problem for public health as well as the individual.

That is the bad news about hepatitis C. The good news is that though there is no vaccine to prevent it, recent measures have greatly reduced the risk of infection, and there are steps everyone can take to protect against it.

Hepatitis C is not spread through casual contact, sneezes or coughs, food or water. In the past, the main route of infection was through transfusions of contaminated blood and blood products.

But since May 1990, when screening of blood supplies for the virus began, there has been a sharp decline in the risk of infection from transfusions. In 1981, 10 percent to 13 percent of transfusions resulted in transmission of hepatitis C; by 1992, the risk was down to less than 1 percent — three cases per 10,000 units of transfused blood.

Now, intravenous drug use with unclean needles is the most common known mode of transmission. Needle exchange programs could in theory reduce the likelihood of this infection as well as that of HIV infection.

About one case in 20 can be traced to infection through sexual intercourse with a virus carrier, exposure to contaminated saliva or other forms of intimate contact with an infected person.

Those known to be infected should always practice safe sex; that is, use a latex condom. Other protective measures to be taken by an infected person include never sharing a toothbrush or razor with another person, taking care to bandage all open cuts carefully and never donating blood, plasma, body organs or sperm.

In about 40 percent of cases, the source of the infection is unknown. Some experts believe that a fair portion of these cases may result from activities like tattooing, body-piercing and even manicures, says Dr. John D. Hamilton, an infectious disease specialist at Duke University Medical Center in Durham, North Carolina.

Pregnant women who are infected with hepatitis C sometimes pass the infection to their fetuses, but it is not known to be transmitted through breast milk. A few cases among health care workers have resulted from being accidentally jabbed by a needle.

Many people who become carriers of hepatitis C do not know it until years later, when perhaps a routine medical examination shows an abnormality on a blood test for liver function. In fact, most cases of hepatitis C acquired outside of a medical procedure are initially "silent," causing no symptoms to warn of the viral invasion.

Therefore, anyone who is at high risk of acquiring this disease should be tested for it regularly.

If the infection causes immediate symptoms, they are likely to resemble the flu: loss of appetite, nausea, extreme fatigue, fever and abdominal pain.

Severe cases result in jaundice, a yellowing of the skin and eyes due to malfunction of the liver. But more often than not, hepatitis C is first discovered in its chronic, symptom-free state through a routine liver-function test.

The only treatments for chronic hepatitis C that have been approved by the Food and Drug Administration involve injections of interferon. The injections are typically administered three times a week for six months.

Seismic Blast: Bomb or Quake?

By William J. Broad
New York Times Service

NEW YORK — Late on the evening of May 28, 1993, something shattered the calm of the Australian outback and radiated shock waves outward across hundreds of miles of scrub and desert. Truck drivers crossing the region and gold prospectors camping nearby saw the dark sky illuminated by bright flashes, and they and other people heard the distant rumble of loud explosions.

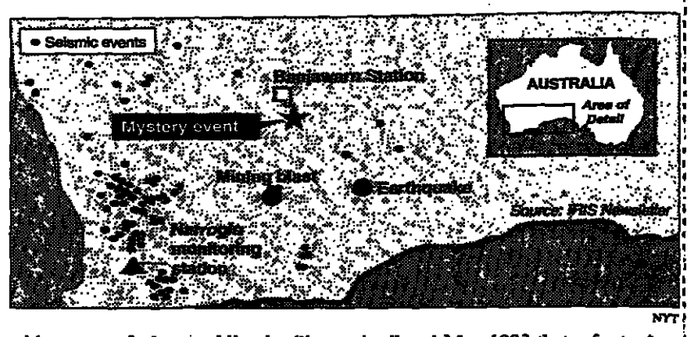
The event might have been lost to history except for the interest of government investigators in Australia and the United States who eventually came to wonder if the upheaval was the work of the Japanese doomsday cult accused of the poison-gas attack on Tokyo subways in 1995 that killed 12 people and hurt thousands.

The fear was that the terrorists had acquired nuclear arms or other weapons of mass destruction and had been testing them that night in the Australian wilds. The hope was that the upheaval was an earthquake, a mining explosion or even a meteorite strike from space, any natural event. The evidence was ominous. Investigators discovered that the cult, Aum Shinrikyo, had tried to buy Russian nuclear warheads and had set up a laboratory on a 500,000-acre ranch in Australia near the puzzling upheaval. At the ranch, investigators found that the sect had been mining uranium, a main material for making atomic bombs.

"Many experts had dismissed the possibility of nukes" in the hands of terrorists before the emergence of Aum Shinrikyo, Dr. Gregory van der Vink, head of the science investigation, said in an interview. "But the group was into biological and chemical weapons and was attempting to acquire nuclear ones."

At the request of Senate investigators, the inquiry was led by the Incorporated Research Institutions for Seismology, or IRIS, where Dr. van der Vink is director of planning. The IRIS has more than 80 member institutions at universities in the United States. It also has more than 100 seismometers on all continents, the largest global network of these devices, which pick up faint vibrations traveling through the earth's rocky interior.

The doomsday cult that caused the worry first caught world attention after the Tokyo subway attack of March 20, 1995, which involved the deadly nerve gas sarin, and was the world's first large chemical strike by terrorists. The cult is now charged in Japan with planning a virtual civil war meant to be carried out with some of the world's deadliest weapons.



After the Tokyo attack, government investigators around the world raced to learn more about the group, Aum Shinrikyo, or Supreme Truth, turned out to have accumulated some $1 billion and to have won more than 50,000 converts in at least six countries.

In the United States, the permanent subcommittee on investigations of the Senate Governmental Affairs Committee, at the urging of Senator Sam Nunn, mounted a major investigation of the cult. Senate investigators found that the group had thousands of disciples in Russia and had bought guns, a military helicopter and other weapons there. The group's construction minister, Kiyohide Hayakawa, the reputed mastermind of the cult's efforts to arm itself, went to Russia 21 times from 1992 to 1995.

Senate investigators say the cult recruited at least two nuclear scientists in Russia. Notebooks later seized from Hayakawa show he wanted to buy the ultimate munition there. In one entry, he asked, "How much is a nuclear warhead?" and listed several prices.

In Australia, the activities were just as troubling. Cult members arrived in April 1993, a little more than month before the mystery blast. Mr. Hayakawa, apparently fresh from visits to Russia, was among the initial party. After visiting several remote sites, the group bought a 500,000-acre sheep farm in Banjawam, Australia, about 400 miles northeast of Perth. The site has a uranium deposit.

The cult brought in chemicals, gas masks and respirators, and picks, shovels, mining equipment and a mechanical ditch digger. It also set up a laboratory stocked with computers, glass tubing, glass evaporators, beakers, Bunsen burners, mixing bowls and a rock-crushing machine. Documents seized from Hayakawa include 10 pages written during his visit to Australia in April and May 1993 that refer to Australian properties rich in uranium, including one reference praising the high quality of the ore.

The disturbance shook the earth on May 28, 1993, at 11:03 P.M. local time, but it was not until after the Tokyo attack of March 1995, that an Australian geologist, Harry Mason, brought the seismic upset to the attention of Australian Federal Police and Senate investigators.

Dr. Mason noted that earthquakes were very rare in the region and that mining explosions were illegal at night. "I currently believe that a nuke is a very real possibility but a meteorite and an earthquake cannot be ruled out either," he wrote Senate investigators in October 1995.

WITH that information in hand, the investigators contacted IRIS. The IRIS team calculated that the event was 170 times larger than the largest mining explosion ever recorded in the Australian region, to help rule out that possibility. The disturbance was calculated as having the force of a small nuclear explosion, perhaps equal to up to 2,000 tons of high explosives. In contrast, an atom bomb with a power of about 15,000 tons of high explosives leveled Hiroshima, Japan. But the signature of the disturbance seemed to be more that of an earthquake or a meteorite strike than a nuclear explosion.

The IRIS experts judged that the violent episode was probably natural in character rather than being a manmade blast, prompting official Washington to breathe a sigh of relief.

The fall 1996 issue of the IRIS newsletter presents the analysis of the mystery event — the first public disclosure — and concludes that "the meteorite impact scenario is consistent with the eyewitness observations and with the energy levels derived from seismic records."

PARIS FASHION

The Elegance After the Storm

By Suzy Menkes
International Herald Tribune

PARIS — It is the fate of every successful couturier to start by shocking the bourgeoisie — and to end up by dressing it. In 1967, Yves Saint Laurent sent out an African-inspired collection with wooden beaded dresses as extraordinary at their time as the Masai breastplates John Galliano showed this week for Dior.

The collection Saint Laurent presented on Wednesday was pure in line, perfectly judged and conjured up establishment words like "impeccable" and "correct."

From the tip-tilted boaters above slim pantsuits through a soft sculpture of navy blue satin, Saint Laurent did not put a foot — or a whimsically colored shoe — wrong.

"*Au dessus de la melee*," Saint Laurent said backstage, meaning that he was standing aside from the brouhaha surrounding the current fall season. The only paparazzi frenzy was when Claudia Schiffer — otherwise dressed in neat little suits — appeared in the green and white wedding gown with her bosom riding high.

The day clothes were predictably elegant, with signature masculine pantsuits jazzed up with Op Art stripes on a shirt and necktie. There were navy suits for women who work; pale shantung dresses for ladies who lunch; and for that mythical "afternoon" attire, a trio of rose-printed chiffon dresses: pink, turquoise, lilac.

Those perfect-pitch colors — as forceful in neutral tones as in the splashy shades — are all that remains of Saint Laurent, the inimitable fashion artist. That, and his ability to sculpt a dress out of satin, so that it falls to a cowl back for a rose to nest. Or to turn decorator by planting a scarlet bow at the back of a dress or a field of embroidered poppies on a bodice.

Boring clothes? No, beautiful clothes, swinging out to the music from Woody Allen's new feel-good movie. But Saint Laurent summed up the *embourgeoisement* of the artist in him in a 1993 interview: "In the beginning, you are so happy, you have too many ideas, you don't think much about the women but of satisfying your creative gifts and putting yourself first." Now, from his Olympian fashion heights, he is servicing clients.

CHRISTIAN Lacroix, celebrating 10 years since his house exploded in bouncing poufs, Arlesian fichu collars and haute bohemian joie de vivre, expressed similar sentiments.

"Yesterday, I designed above all for myself," he said. "Today I work for my clients."

So for the first time, the collection had achieved a new serenity, a Lacroix fashion zen in which those once clashing colors were harmoniously blended, give or take a sudden fiery glow of sunset red, yellow and pink. The intricate embellishment came as cameos of fabrics and textures, all intensely feminine and subtly opulent.

Moore/Thomas

Christian Lacroix's sheer coat with hand-painted flowers and lacy chiffon dress; Yves Saint Laurent's asymmetric one-shouldered draped dress.

The costume party element had disappeared — or maybe been moved to Lacroix's work for the theater. So had any pretense at doing daywear (apart from a token coat or jacket with narrow pants).

It was straight into the cocktail hour with the lacy dresses or stiffer fabrics, lightened with a moonshine iridescence. Among the mostly-slender evening dresses appeared hyper-sophisticated Provencal dresses in checks and stripes — the designer's only self-reference to his fashion patrimony.

There was something lovely in this new calm — and something lost. There were a few soaring moments — a paisley patterned coat wafting over a gleaming dress or a pink organza coat, hand-painted with flowers, over a dress of pink and yellow guipure flowers. But the parade lacked a flourish of bravura.

So the artist has laid down his brushes? Not at all! Lacroix had truffled his artistic talent under the gilded finishes and crusty lace surfaces. A fiery red tweed jacket had abstract art dabbed on the backbone; chiffon was hand-shaded to watery blues and greens.

The house has also become a focal point for young craftspeople, who work on new materials, special effects and the accessories. They remain ebulliently inventive, from the saucy metallic lace veils to the rivulets of multicolored stones to the chinoiserie brocade shoes.

And the clients, of course, adored such a wearable Lacroix collection. Sao Schlumberger described it as "divine" and Anne Bass and Nada Kirdar, at the Fashion Museum gala opening, both lamented that the problem was not deciding what to buy — but how to exercise restraint.

Well, at least they will be able to discount some of Valentino's feather-light dresses on grounds of indecency. This ravishingly pretty and delicately decorated collection, with its tumbling corsage flowers, included patchworks of lace so sheer that they revealed everything as the models retreated.

The main theme was taken from the Japanese flowers that were set against the backdrop. Kimono jackets, cut off and lapping the body, were a constant look, along with dangling Oriental purses.

IT was as though the challenge of new designers in couture had pushed Valentino to give the best of himself. That came through in the daywear as light pinstriped taffeta replacing heavy suiting, or a slit in a skirt filled with *point d'esprit* lace.

With such a refined collection that was sending the clients into raptures, why did Valentino feel the need to show so much sheer?

Oscar de la Renta, basking in the reflected glory of Hillary Clinton's golden inauguration gown, has another political admirer: Henry Kissinger. He sat front row at the Balmain show with his wife Nancy.

"I don't have much experience, but I thought it was beautiful," Kissinger said.

De la Renta tossed off the show like a pro. His mission is to dress the ladies he dines with, feeding them the three-quarter coat over a dress in a cheery shade of coral and youthful pants for day rather than only knee-grazing slim skirts.

But don't lets talk hemlines! For Balmain's focus was above the waist, with subtle slit-front or portrait necklines, chic with yellow lining black. Those couture details — like openwork seams on caffe latte — turned into grander gestures at night, as chiffon waves ruffled the front of a dress and feathered skirts fluttered below evening sweaters.

The fine workmanship showed the symbiotic relationship between the American couturier and the Balmain ateliers. De la Renta had even picked up some tips from Chanel: the matelot sweater embroidered in a caviar of pearls was last seen at Rue Cambon.

But a showstopping djellabah, with bold motifs in cut velvet, was distinctly de la Renta's own signature. And all the evening wear had a light touch of modernized couture.

One puzzle remains: De la Renta is boasting of his success in weaning the American president's wife from an Inauguration Day hat. So why would he plonk on hats at Balmain, adding nothing but a few years?

MAURIZIO GALANTE

MARCH 1997

PRESENTATION OF THE PRÊT-À-PORTER COLLECTION AUTUMN/WINTER 1997/1998

FOR INFORMATION CONTACT: MAURIZIO GALANTE S.A. 22 RUE DE PALESTRO 75002 PARIS TEL. 01.55.34.34.55 FAX 01.55.34.55.50

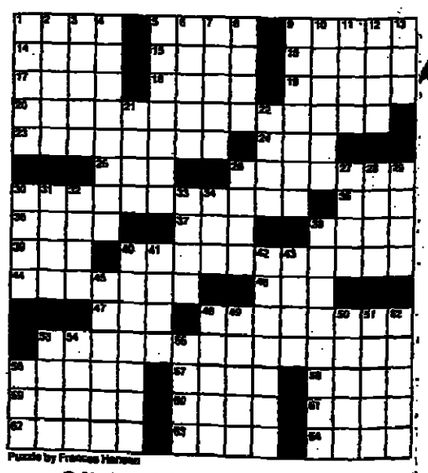
CROSSWORD

ACROSS

1 Composer — Carlo Menotti
5 So-and-sos
9 "Goodbye, Mr. Chips" star, 1939
14 Liking
15 Semicircular room
16 Balearic resort isle
17 Flop
18 — to the throne
19 Locker art
20 Basic
23 Fish of which the male carries the fertilized eggs
24 Cocktail ingredient
25 — toot
26 Germ
30 Gentleman's evening clothes
35 Topper
36 Car bar
37 Agreeable word
38 Enthralled
39 Writer Hecht
40 Maugham satire
44 Ignorant (of)
46 Revivalist, informally
47 Brian of rock
48 Person with hives
53 1953 play, or consolation for a meatless meal?
56 Kind of board
57 Where Ron Howard was born: Abbr.
58 Betty of cartoons
59 Printing mark
60 Laugh —
61 Like some tennis games
62 Walter Trampler's instrument
63 Elizabeth II's only daughter
64 Made do

DOWN

1 The Bee Gees
2 Harden
3 Confused
4 "Forget it!"
5 Extremely and
6 Broaches, in a way
7 Backing vocal?
8 Author Ivo Andric, for one
9 Hinged pair of pictures
10 — dictum
11 Emergency CB channel
12 France's Côte d'—
13 Designate
21 Spanish lady's title
22 "Trinity" author
28 Failure
27 "Eugene Onegin" sister
28 Junior high subj.
29 Touchiness
30 Elephant Boy of 30's film
31 Team members
32 Arm part
33 Director W. S. Van —
34 Charge
38 Darling
40 Popular game from Uruguay
41 Schoenberg's "Moses und —"
42 Pep up
43 One of the tides
45 Toad Hall vandal
46 Show politeness at the door
49 Traffic cone
50 "— a trip on a train . . ." (Benny Goodman lyric)
51 Leave, with "off"
52 Pounded the Underwood
53 Cuisine choice
54 A Saarinen
55 — Maar (Picasso subject)
58 Year in Septimius Severus's reign



Puzzle by Frances Hanson

© New York Times/Edited by Will Shorts.

Solution to Puzzle of Jan. 22

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Harry's

Est. 1911, Paris

"Sank Roo Doe Noo"

A Space for Thought.

Herald Tribune (International)

BUSINESS/FINANCE

Nancy Siesel/The New York Times

Lara Stein is on a mission for Microsoft Multimedia Productions: *to buy creative on-line programming from New York's digital entrepreneurs.*

Microsoft Mines New York's Silicon-Alley Talent

By Trip Gabriel
New York Times Service

NEW YORK — Microsoft Corp. is a behemoth with 20,000 workers famous for their uniformly casual office wear and their cool rationality, whether analyzing a line of computer code or a marketing plan.

Silicon Alley is the name given to the confluence of hundreds of small companies staffed by creative young people drawn to New York City. In Manhattan lofts where once they might have formed little magazines or rock-and-roll bands, today they are producing sites on the World Wide Web.

Now, with an eye on the huge potential of the Internet, the giant of the software world has come to Silicon Alley, looking to buy original programming from New York's downtown digital entrepreneurs, who create everything from interactive soap operas to on-line magazines.

But the seduction has not always been smooth. While the loft-dwelling designers are tempted by Microsoft Corp.'s riches, they remain wary.

"As a software company, they've got a reputation for being very heavy handed," said John Borthwick, the chief executive of WP Studios, which publishes Total New York, an on-line guide to the city. "There is an enormous cultural shift that has to take place."

That may be already happening, and Microsoft is the one that seems to be yielding, shedding some of its tech-driven nerdiness for a hipper style.

For evidence, look no further than two of the first new-media locals it has gone into business with: John Hulme and Michael Wexler, writers whose previous work was the book "Baked Potatoes: A Potsmokers' Guide to Film and Video."

For the last several months, Microsoft has been combing Silicon Alley for proposals for its Microsoft Network, the third-largest on-line service, behind America Online Inc. and CompuServe Inc. Last month, it was re-

INTERNATIONAL MANAGER

vamped as both a gateway to the Internet and a television-like source of original news and entertainment. Microsoft plans to spend $200 million to $300 million in the next few years on Microsoft Network, with a nice chunk of the money earmarked for programming from independent companies.

That has caught the attention of the estimated 18,000 digital workers in computer-cluttered lofts in downtown Manhattan, workers whose companies have names like Avalanche, Razorfish and Radical Media. It seems that nearly all of them have met with Lara Stein, the energetic executive in New York for Microsoft Multimedia Productions, or M3P, which develops material for the Microsoft Network.

"I probably get 30 to 40 proposals a week," Ms. Stein said in her office in Worldwide Plaza, at Eighth Avenue and 49th Street, where two books displayed side by side represent the worlds she bestrides: "The Road Ahead" by Bill Gates, chairman of Microsoft, and a work by H.R. Giger, the cult artist who created the slick, machinelike creatures of the "Alien" movies.

Although Microsoft, based in Redmond, Washington, has long had a New York office to sell software to corporate clients, Ms. Stein's arrival in August was part of the company's ballyhooed evolution into a media company.

She shares a newly remodeled floor with outposts of two Microsoft on-line publishing ventures: a bureau of the political magazine Slate, and New York Sidewalk, a guide to the city's cultural life that will be available free on the Web beginning this spring.

Ms. Stein, 30, a native of South Africa, is accessible to nearly anyone with a digital brainstorm — not just multimedia professionals, but writers and artists with scant on-line experience, and even chefs, bankers and students who find her by word of mouth.

"A lot of what I'm doing is planting seeds and educating people who aren't in the industry," she said.

But though many have pitched ideas, few projects have actually been given the green light, and the paucity of deals struck — only seven or eight so far — is an indication of the sometimes awkward mating dance between Microsoft and Silicon Alley.

Last fall at the Cool Site of the Year Awards, a kind of on-line Oscar ceremony held at an East Village nightclub, the nomination of the Microsoft program Explorer for Cool Internet Browser was met with hisses and catcalls. It was a telling expression of Silicon Alley's uneasiness about the giant Microsoft.

Ms. Stein acknowledged that there is anti-Microsoft sentiment in Silicon Alley, as elsewhere in the software world — it is the fear of becoming dinner for an $80 billion company whose famous motto as it stalks the Internet market is "embrace and extend."

"I can't change that overnight," said Ms. Stein, who was hired last year from the interactive licensing division of Marvel Entertainment Group Inc. "I'm just one person. I'm trying to be as accessible as possible."

At the core of the culture clash between Microsoft and some in Silicon Alley is the difference between a giant company where software is created by legions of anonymous programmers and the New York new media's roots in the art and publishing worlds, where individual authorship is highly valued.

In practical terms, it has boiled down to a dispute over on-line rights to the shows Microsoft is commissioning. Microsoft insists on owning the rights, but many Silicon Alley developers say the company is unwilling to pay enough.

Jeff Dachis, co-founder and chief executive of Razorfish, a leading Web site designer, said:

See MICROSOFT, Page 15

For Dollar, the Rally Just Keeps on Going

But Some Say a Correction Isn't Far Off

Compiled by Our Staff From Dispatches

NEW YORK — The dollar was sharply higher against the Deutsche mark and the yen Wednesday and was higher against other major currencies amid expectations that the Group of Seven leading industrial nations would not act to halt the rise of the U.S. currency.

But analysts said the dollar's rally, which was given a boost Tuesday by statements from Treasury Secretary Robert Rubin and other U.S. officials, was showing signs of fatigue, and they said a correction could come in the next week if the Federal Reserve Board showed no signs of raising interest rates.

Evidence that U.S. growth will outpace any expansion in Germany or Japan has fanned hopes that the premium that U.S. interest rates offer over their counterparts in Germany and Japan will widen in the coming months.

This has lifted the dollar almost 2 percent against the yen and 3.3 percent against the Deutsche mark in the past five trading days, particularly as Japanese policymakers were, until Wednesday, the only ones to signal any dissatisfaction with the pace of the dollar's rise.

"All three blocs seemed to be in agreement about a rising dollar," said Henrik Lumholdt, the senior economist at Bank of America in Madrid. "Even a gradual weakening of the yen is acceptable for Japan." The dollar's steady rise, which has been based on U.S. announcements of support for a strong dollar, was given a further boost Wednesday when prices on the Tokyo stock exchange dropped, said Steve Gallagher, an economist at Societe Generale in New York.

The fall in the Nikkei 225-stock average averted fears that Japanese investors were about to repatriate their capital to mop up losses on the national market, Mr. Gallagher said.

The surging dollar also lifted European stock markets to new heights Wednesday, hot on the heels of Wall Street, which recorded its 10th record of 1997 on the previous night.

A European equities strategist at Merrill Lynch & Co. in London, Bryan Allworthy, said that "the most important influence has been the dollar."

A strong dollar is good for European equity markets because a significant part of the equity sector in Europe is in international companies, which tend to record their sales and profit in dollars.

"If you get a strong dollar, then these companies see a positive effect in trading figures," an analyst said.

In London, the Financial Times-Stock Exchange 100-share index of

See DOLLAR, Page 12

IBM 'Disappointment' Weighs Down the Dow

Investors Had Hoped for Bigger Profit Gain

Compiled by Our Staff From Dispatches

NEW YORK — Stocks were mixed late Wednesday, with International Business Machines Corp. pulling down the Dow Jones industrial average amid disappointment that the company did not report as robust a profit as other computer-industry leaders.

The Dow fell 33.87 points to close at 6,850.03, and IBM accounted for all of the drop. On Tuesday, the Dow nearly reached the 6,900-point level on its way to its fourth straight record finish and its 10th new high in 12 sessions. Declining issues outnumbered advancers by a 10-9 ratio on the New York Stock Exchange.

Broader measures were mostly positive, however. The Standard & Poor's 500-stock index rose 3.51 points to a record 786.23, and the Nasdaq composite index rose 11.09 points to a record 1,388.06. Both measures also set records Tuesday.

The focus of the day's early dealings was IBM's seemingly impressive fourth-quarter results, reported after the market closed Tuesday. The computer maker's stock closed at $157.25, down $10.75, the equivalent of 36 points on the industrial average, and was the most active Big Board issue.

Lifted by surging demand for computer services and stronger sales of software and hardware, IBM's fourth-quarter profit grew 18 percent, beating many projections.

But the company's revenue growth failed to meet expectations, and profit margins fell, prompting several leading brokerage firms to lower their investment ratings and earnings estimates.

IBM stock had been trading at 10-year highs in the past few weeks because investors were optimistic about the earnings.

"Given that the stock has run up, we're probably going to see the beginning" of a decline, said Steven Milunovich, an analyst at Morgan Stanley. The drop could be as much as 15 percent in the next three to five months, he said.

At least four analysts cut their earnings estimates for 1997. IBM's chief financial officer, Richard Thoman, said Tuesday that continued weakness in memory-chip prices and uncertainty about currency movements could further hamper the company's results.

"They are going to have a hard time doing an encore," said Bob Djurdjevic, an analyst at Annex Research in Phoenix.

With many technology leaders having already rallied in anticipation of blockbuster results, investors have been betting on profits that beat projections by a wide margin, analysts said.

Stocks also were being pressured by the bond market, which gave up some early gains after the Commerce Department reported Wednesday that housing starts plunged 12.2 percent in December to their lowest level in 18 months. Bond prices worsened in the

See IBM, Page 12

Negotiators Approve Taiwan-China Shipping Links

Compiled by Our Staff From Dispatches

HONG KONG — Representatives of China and Taiwan reached an agreement Wednesday on ending a 48-year ban on direct shipping links, a move that could diminish Hong Kong's lucrative role as a conduit for regional trade.

Unofficial negotiators for the two sides said they had agreed that shipping companies from Taiwan and China could apply to conduct direct trade between the ports of Fuzhou and Xiamen in southeastern China and Kaohsiung in southern Taiwan. Direct links could start as soon as March, the negotiators said.

"It was decided that the two sides must begin direct links as soon as possible," said Hsieh Ming-hui, the navigation director of Taiwan's Transportation and Communications Ministry who led the Taiwan delegation in five hours of talks in Hong Kong.

Because the negotiators for both sides came from nongovernmental bodies, the agreement could be undermined by political disputes between the two governments, analysts said.

"The implication is, they reached an agreement on direct links," said James Wang, an analyst at Peregrine Securities (Taiwan) Ltd., "but it's still not official."

It was the first time the two sides had held direct talks since relations worsened between Beijing and Taipei 18 months ago during Taiwan's presidential election campaign.

China regards Taiwan as a rebel province, and both governments have banned direct links since the Chinese Nationalists fled to Taiwan after losing the civil war in 1949.

Taiwan is reluctant to take steps that could be seen as conferring legitimacy on the Communist government in Beijing or recognizing its sovereignty.

But the business community in Taiwan has been pressuring the government to extend commercial ties with the mainland by ending the ban on official contacts, which adds to costs.

"It's symbolically significant," Peter Kurz, branch manager of ING Barings in Taipei, said of the agreement. "It's something that both sides can build on." Under the consensus accord, companies in the two countries will start applying to their respective cross-straits shipping associations for certification. They will then be able to apply to the Chinese government for final approval. The two sides did not say whether shipping companies from other countries would be allowed to ply the new routes.

"This consensus will boost the process of achieving direct shipping links," said Meng Guangzhu of China's Cross Straits Shipping Association. "We hope that in the near future, direct shipping links will become a reality."

Trade between China and Taiwan totaled about $20 billion last year.

Taiwan hopes to expand Kaohsiung's role as a shipping hub. Direct shipping would benefit Taiwan consumers and shippers by bypassing Hong Kong, the world's busiest container port. That would reduce by as much as 20 percent the cost of moving a standard container between Taiwan and Shanghai, analysts say. In 1995, one-eighth of Hong Kong's container traffic consisted of shipments between China and Taiwan.

"Transit times will fall, and rates will become cheaper," said Dan Hellberg, a shipping analyst at S.G. Warburg Securities in Taipei.

China prepared for direct shipping links in August, when its Ministry of Communications published regulations governing the application process.

Under the rules, applications by Chinese and Taiwan joint ventures or wholly owned shipping companies would be processed within 45 days of their submission. Foreign companies that want to carry cargo or passengers between Taiwan and the mainland would need special approval from the ministry.

Taiwan's government radio quoted the head of the Taiwan shipping company Evergreen Marine Corp. as saying shipping companies that already had been approved by Taiwan for Kaohsiung, Fuzhou and Xiamen now could apply to the mainland. Fourteen Taiwan and foreign companies had done so, officials said. Neither side gave any explicit indication of how Beijing would respond to Taiwan shippers' applications, and no mention was made of provisions for Chinese shippers. Taiwan radio said foreign-flagged ships might begin sailing direct routes as soon as March or April.

(Reuters, AFP, Bloomberg)

CURRENCY & INTEREST RATES

Cross Rates

Jan. 22

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.844	3.040	1.1231	0.333	0.1155*	—	5.4475*	1.2884	1.5302*	1.3785	1.341*
Brussels	33.71	55.975	20.617	6.116	2.1282*	18.355	—	23.78	0.2849	25.19	24.4625*
Frankfurt	1.6434	2.7195	—	0.2965	0.1031*	0.8908	4.8590*	1.1442	1.3812*	1.2273	1.1958*
London (a)	1.6538	—	2.7135	9.1589	2,638.514	3.0472	55.9522	2.364	196.6650	2.2326	207.3735
Madrid	127.279	207.47	84.63	24.795	8.61*	74.458	4.0567	95.45	115.458*	102.80	—
Milan	1,593.50	2,630.85	971.80	287.58	—	863.46	47.124	1,171.45	13.416	1,188.75	11.886
New York (b)	—	1.6363a	1.6409	5.5378	1,598.00	1.8429	33.79	1.4291	118.935	1.3379	137.76
Paris	5.5365	9.174	3.3729	—	0.3473*	3.003	0.1636	3.8655	4.6545*	4.1395	4.0305*
Tokyo	118.70	194.79	72.56	21.52	0.748	64.59	3.9801	93.32	—	86.33	0.8609
Toronto	1.3372	2.1888	0.8137	0.2461	0.0836*	0.7249	4.3955*	0.9338	1.1228*	—	0.971*
Zurich	1.4296	2.3675	0.8718	0.2586	0.0897*	0.7761	4.2259*	—	1.2031*	1.0675	1.0415*
1 ECU	1.1919	0.7193	1.9565	6.5908	1,908.25	2.1974	40.3329	1.7071	141.713	1.5941	163.727
1 SDR	1.4027	0.8405	2.3026	N.Q.	2,236.36	2.5869	0.5856	2.0188	165.588	1.8815	192.488

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers; Toronto rates at 3 p.m.
a: To buy one pound b: To buy one dollar *Units of 100; N.Q.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	256.56	Mex. peso	7.79	S. Afr. rand	4.6285
Australian $	1.2980	Hong Kong $	7.7385	N. Zealand $	1.4205	S. Kor. won	854.40
Austrian sch.	11.545	Hung. forint	167.52	Norw. krone	6.53	Swed. krona	7.1513
Brazil real	1.043	Indian rupee	35.85	Phil. peso	26.31	Taiwan $	27.51
Chinese yuan	8.3255	Indo. rupiah	2371.00	Polish zloty	2.92	Thai baht	25.74
Czech koruna	27.53	Irish £	0.6197	Port. escudo	163.31	Turkish lira	113905.
Danish krone	6.2543	Israeli shek.	3.2877	Russ ruble	5607.00	UAE dirham	3.6705
Egypt. pound	3.393	Kuw dinar	0.3012	Saudi riyal	3.75	Venez. boliv.	476.00
Fin. markka	4.7795	Malay. ring.	2.4876	Sing. $	1.4075		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6545	1.6529	1.6519	Japanese yen	118.35	117.86	117.37
Canadian dollar	1.3351	1.3326	1.3299	Swiss franc	1.4264	1.4223	1.4178
Deutsche mark	1.6382	1.6350	1.6316				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Jan. 22

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	2 15/16 - 3 1/16	1 1/2 - 1 3/4	6 5/16 - 6 7/16	3 7/16 - 3 9/16	7/16 - 9/16	4 - 4 1/8
3-month	5 3/8 - 1/2	2 7/8 - 3 1/16	1 5/8 - 1 3/4	6 7/16 - 6 9/16	3 1/4 - 3 3/8	7/16 - 1/2	3 15/16 - 4
6-month	5 1/2 - 5 5/8	2 7/8 - 3 1/16	1 5/8 - 1 3/4	6 9/16 - 6 11/16	3 5/16 - 3 7/16	7/16 - 1/2	3 15/16 - 4
1-year	5 13/16 - 6 1/16	2 7/8 - 3 1/8	1 3/4 - 1 7/8	6 1/2 - 6 3/4	3 5/16 - 3 7/16	5/8 - 3/4	3 15/16 - 4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5.00	5 1/4
90-day CDs dealers	5.42	5.43
180-day CP dealers	5.31	5.32
3 month Treasury bill	5.03	5.02
1-year Treasury bill	5.29	5.28
2-year Treasury bill	5.96	5.94
5-year Treasury note	6.31	6.28
7-year Treasury note	6.41	6.38
10-year Treasury note	6.54	6.51
30-year Treasury bond	6.82	6.78
Merrill Lynch 30-day RA	4.93	4.93
Japan		
Discount rate	0.50	0.50
Call money	0.43	0.43
1-month interbank	0.53	0.53
3-month interbank	0.56	0.56
6-month interbank	0.56	0.56
10-year Govt bond	2.47	2.46
Germany		
Lombard rate	4.50	4.50
Call money	3.10	3.10
1-month interbank	3.12	3.12
3-month interbank	3.13	3.13
6-month interbank	3.15	3.16
10-year Bond	5.72	5.75

Britain		
Bank base rate	6.00	6.00
Call money	6 1/8	6 1/8
1-month interbank	6 1/8	6 1/8
3-month interbank	6 5/16	6 1/4
6-month interbank	6 3/8	6 1/2
10-year Gilt	7.33	7.42
France		
Intervention rate	3.15	3.15
Call money	3 5/16	3 5/16
1-month interbank	3 5/16	3 1/4
3-month interbank	3 5/16	3 1/4
6-month interbank	3 3/8	3 5/16
10-year OAT	5.80	5.60

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	350.90	−3.10
London	350.10	351.20	−2.50
New York	353.90	351.70	−3.50

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

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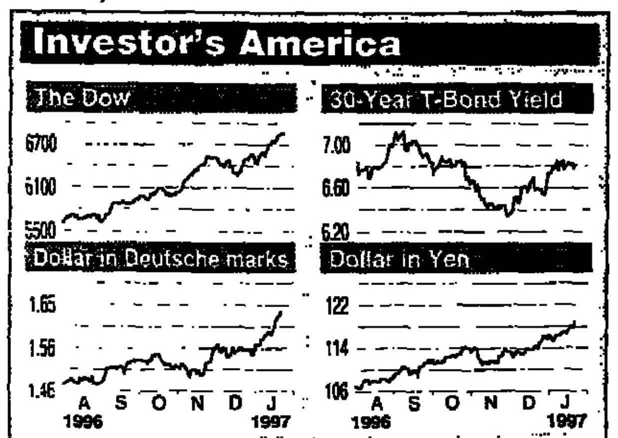


Exchange	Index	Wednesday Close	Prev. Close	% Change
NYSE	The Dow	6850.03	6883.90	-0.49
NYSE	S&P 500	786.23	782.72	+0.45
NYSE	S&P 100	771.18	768.21	+0.39
NYSE	Composite	412.80	411.57	+0.30
U.S.	Nasdaq Composite	1386.06	1376.97	+0.81
AMEX	Market Value	590.87	589.94	+0.16
Toronto	TSE Index	6058.67	6081.06	-0.37
São Paulo	Bovespa	78175.00	79049.10	-1.11
Mexico City	Bolsa	3707.98	3717.34	-0.25
Buenos Aires	Merval	679.47	686.61	-1.04
Santiago	IPSA General	5196.79	5259.67	-1.20
Caracas	Capital General	6328.47	6365.37	-0.58

Source: Bloomberg, Reuters International Herald Tribune

Profit Surges at Compaq

Compiled by Our Staff From Dispatches

HOUSTON — Compaq Computer Corp.'s fourth-quarter earnings surged to $462 million from $82 million a year ago because of increased sales of computers to corporate customers and improvements in operating efficiency, the company said Wednesday.

The No. 1 personal computer maker said sales rose to $5.42 billion from $4.7 billion. The results were helped by a favorable comparison with the year-earlier period, which was hurt by acquisitions-related charges of $241 million.

Compaq's results exceeded most analysts' expectations, and its shares climbed $4.875, to close at $83.375.

"They're gaining market share, profit margins are increasing, cash is growing, what else do you want?" said Stephen Dube, an analyst with Wasserstein Perella Securities.

Compaq said its gross margin, which is revenue minus the cost of manufacturing computers, rose to 24.4 percent, its highest level in almost two years. Compaq cited a shift toward corporate computers and servers, which carry higher profit margins, as well as aggressive moves to cut inventory and speed up collection of payments.

Compaq slashed inventory almost in half, to $1.15 billion from $2.16 billion a year ago, said the chief financial officer, Earl Mason.

Mr. Mason said Compaq would continue to report higher earnings and profit margins this year than in 1996, although he declined to say whether the company would exceed its fourth-quarter gross margin of 24.4 percent.

Compaq's profitability has been bolstered by new products, including a line of workstations aimed at engineers and financial professionals. Compaq also has acquired several companies that make systems to link computers in networks, so it can sell entire computer systems and not just desktop PCs.

Also Wednesday, Computer Associates International Inc. shares fell on concerns about the company's European sales. The company on Tuesday posted a loss and said its European sales fell 21 percent.

Computer Associates' stock fell $2.75 Wednesday, closing at $43.25. *(Bloomberg, AFX)*

■ AT&T Posts Gains

AT&T Corp. posted a fourth-quarter profit that reversed a loss from a year earlier, but its results were held back by unpaid telephone bills, The Associated Press reported from New York.

The biggest U.S. long-distance telephone service provider earned $1.62 billion, compared with a loss of $2.68 billion a year ago. Revenue rose to $13.24 billion from $12.89 billion. But AT&T said increased fraud, delinquencies and bankruptcies cost it $200 million in the fourth quarter.

AT&T shares finished down 50 cents at $38.875.

IBM: *Shares Slip, Weighing Down Dow*

Continued from Page 11

afternoon, sending interest rates higher, after the Federal Reserve Board reported that the economy grew moderately in December and early January without causing a significant increase in inflation. According to a survey by the Fed's 12 regional banks known as the beige book, there was scattered evidence of increasing wage pressures but little indication of significant price pressures.

The price of the benchmark 30-year Treasury bond fell 18/32 to 95 26/32, pushing the yield — a key determinant of corporate and consumer borrowing costs — up to 6.83 percent from 6.78 percent Tuesday.

On Wall Street, mutual-fund inflows continued to help shares. Mutual Fund Trim Tabs, a newsletter that tracks money going to mutual funds, said assets were pouring in at $28.4 billion a month, $500 million short of the record set last January.

"You're having tremendous demand for stocks," said Philip Brown, president of Meridian Investment Co., which manages $3.7 billion in equities.

"You have an economy that isn't doing that bad. Corporate profits aren't declining — they just aren't going to be up as much."

On the heels of surprisingly good quarterly results from Intel and Microsoft, other computer-industry shares held up amid IBM's retreat.

On the Big Board, LSI Logic, a maker of memory chips, added 1⅞ to close at 35⅞ in active trading. Electronic Data Systems, a primary competitor for IBM's lucrative computer services business, was unchanged at 47½.

On the Nasdaq, Microsoft rose 2⅜ to 97⅞ as the most active issue, while Intel added 4 1/16 to 152⅛. Dell Computer rose 2⅛ to 66¼, and Gateway 2000, a computer retailer, rose 3½ to 62⅛. "I don't think IBM is the bellwether for technology, any more than General Motors is the bellwether for the U.S. economy," said Sally Anderson, a senior money manager at Kopp Investment Advisors, which oversees $3.4 billion in assets and holds about $8 million of IBM stock. "The economy has become much more diverse. There have been so many new companies, and they've diluted the impact of the big ones."

Other issues gained on positive earnings reports. Dean Witter Discover rose ¾ to 37⅞, Bristol-Myers

U.S. STOCKS

Squibb gained 1½ to 123⅛, and Johnson & Johnson added 3⅞ to 57⅝. All reported higher fourth-quarter earnings.

Weyerhaeuser shares fell 1⅛ to 49⅛. The company said its fourth-quarter earnings fell 60 percent on lower prices for its pulp, paper and packaging products.

General Dynamics shares were unchanged at 71¼. The defense contractor said fourth-quarter earnings rose 9.4 percent on a small increase in revenue and lower operating costs.

Steris's shares sank 8 to 30 on the Nasdaq. The company's chief executive officer said the medical devices company would post lower-than-expected earnings for its third quarter.

Norand, a maker of mobile computers, surged 13½ to 32⅞. Western Atlas said it would pay $261.3 million, or $33.50 a share in cash, for Norand's 7.8 million shares. Western Atlas shares fell 2 to 70⅛.

CPC International shares fell 2 to 80⅜. The food company was removed from the "recommend" list by an analyst at Goldman, Sachs & Co. and is now rated "market perform." *(AP, Bloomberg)*

Very briefly:

Federal Express Adjusts Prices

MEMPHIS, Tennessee (Bloomberg) — Federal Express Corp. said Wednesday that it would adjust its U.S. express-delivery prices for distance and weight, matching a move last year by its rival, United Parcel Service of America Inc.

The cost of delivering a letter overnight from New York City to San Francisco, for example, will rise about 13 percent July 1, while the price for the same service to Philadelphia will drop about 22 percent, Federal Express said. The company will charge $3 extra for picking up packages.

The move follows a similar switch by UPS in January to distance-based pricing for air delivery service. That sliced UPS's prices for short-distance air deliveries as much as 40 percent while increasing prices for longer-distance service as much as 28 percent.

- *U.S. housing starts* fell 12.2 percent in December from a year earlier, after an increase of 9.3 percent in November. But for the year, 8.8 percent more new homes were begun than in 1995.
- **Procter & Gamble Co.** plans to spend $60 million on advertising to introduce a new version of Ivory, the soap on which the manufacturer was built.
- ***General Dynamics Corp.***'s *fourth-quarter net profit fell to* $70 million from $88 million a year earlier, reflecting the company's exit from aircraft manufacturing. Sales were $896 million, compared with $893 million.
- **Deloitte & Touche LLP**'s revenue for the year ended Sept. 30 rose 14 percent, to $2.9 billion, with much of the rise coming from its management consulting division, which saw revenue increase 29 percent, to $1 billion.
- **Bristol-Myers Squibb Co.** earned a net $716 million in the fourth quarter, reversing a loss of $142 million a year earlier, as stronger sales of its cholesterol-lowering drug Pravachol and its cancer drug Taxol helped offset slumping sales of its heart medicine Capoten. *Bloomberg, AP*

New York Times Revamps Editions

Compiled by Our Staff From Dispatches

NEW YORK — The New York Times will extend its deadlines next month to offer later-breaking news, part of a series of changes that will also make the daily more widely available nationwide.

The paper, which owns half of the International Herald Tribune, also reported Wednesday that it would gradually add color to the New York edition by early next year. The Times also detailed these changes:

- On Feb. 18 it will begin printing a new edition at 10:45 P.M. and midnight at plants outside Boston and Washington for buyers from Maine to Virginia, some of whom now get a New York regional edition printed at 9 P.M.
- The paper has reached agreement with 33 other dailies for them to deliver the national edition of The Times along with their own papers. And in a deal with a magazine distributor, The Times will be carried by more than 25,000 retail outlets, up from 17,000, within a year.
- The Times will expand its four-section New York regional edition to six sections most weekdays after a $350 million printing plant begins operation in September. The sports section will be the first to get color. Buyers of the regional edition, some of whom get a paper printed at 9 P.M., will get a version produced at 11:15 P.M.

New York Times Co. executives say the changes are part of an increased emphasis on nationwide circulation and advertising. *(AP, NYT)*

DOLLAR: *With Nothing in Its Way, Rally Keeps on Going, But Some Traders See a Correction Soon*

Continued from Page 11

leading shares closed at a record 4,219.9 points, up 23.6. In Paris, the CAC-40 index set a closing record of 2,442.46, a gain of 1.35 percent on the day. The Frankfurt stock market surged 1.75 percent, or 51.96 points, on the DAX index, which closed at 3,028.67.

Share prices in Madrid built on a record close Tuesday as the main market index rose 3.87 points, or 0.81 percent, to 483.55.

The dollar closed at 1.6409 Deutsche marks, up from 1.6297 DM at Tuesday's close. It reached as high as 1.6445 DM, the highest it had been since June 15, 1994 when it was at 1.6495 DM.

The dollar was also at 118.935 yen, up from 117.915 yen.

Against other major currencies, the dollar was at 5.5378 French francs, up from 5.4950 francs, and at 1.4291 Swiss francs, up from 1.4165 francs. The pound was at $1.6363, down from $1.6637.

"The dollar is extremely sustained," said Kit Juckes, an analyst at NatWest Markets. "As long as the German and Japanese monetary authorities accept seeing their currencies weaken and do not contest the dollar's strength, the dollar's rise should continue."

"The German and Japanese silence, together with the fact that the United States is for a strong dollar, is

FOREIGN EXCHANGE

interpreted on the market as a green light for investing in American securities."

The dollar moved higher after Mr. Rubin said Tuesday that the dollar's gains in the past 21 months would not hurt the U.S. trade position and that a weaker U.S. currency was not the key to narrowing the trade gap.

The dollar extended its gains after news agencies reported that Finance Minister Hiroshi Mitsuzuka of Japan said the Group of Seven leading industrial countries shared the U.S. desire for a strong dollar.

But traders said they were less confident about its immediate prospects after a Bundesbank council member, Ernst Welteke, said its rise "shouldn't go much further."

Mr. Welteke added that the Bundesbank would not step in and buy marks to curb its strength, as "the markets will regulate the dollar's rise themselves."

Still, traders viewed his comments as a hint that the Bundesbank did not want the mark to fall too sharply.

The dollar could suffer a temporary setback in the next several days, traders said.

The pace of the U.S. currency's recent rise had made traders wary of missing out on its rally and forced them to keep adding to their dollar holdings.

A pause in its rise could therefore be the trigger for a temporary pullback in the dollar as they use these highs to cut back bets on a stronger dollar, traders said. *(Market News, LAT, AFP, Bloomberg)*

AMEX

Wednesday's 4 p.m. Close

The top 300 most-active shares, up to the closing on Wall Street.

The Associated Press

Stock	Sales	High	Low	Latest	Chge
AM Intl	122	4¾	4½	4½	—
AMC	602	16⅞	16¾	16¾	—⅛
ARC	1581	4½	4⅜	4 7/16	—1/16
ATT Fd	134	84⅝	84⅛	84⅝	—¼
AVIC Gp n	152	3⅝	3	3⅛	—⅜
Acadiana n	577	15⅞	15½	15⅝	—⅛
AdmRsc	128	16⅛	15⅞	15⅞	—1⅛
AdvMag	410	19⅛	17⅜	17⅞	—¾
AdvMed	380	4⅝	4¼	4½	+⅛
AdvPhot	508	2¾	2½	2½	+⅛
AirWat	135	6⅝	6⅜	6½	—
AHaggen	238	15¾	15¼	15½	—
AlldRsh	451	8⅝	8	8⅛	—⅛
Alphaln	370	8⅛	7¾	8⅛	+¼
AltLvng n	163	13½	12⅞	13¼	+½
Amdhl	3023	11⅞	11⅜	11⅝	+⅜
AEzol	488	16⅝	16⅛	16¼	—
AIM 85	148	14⅞	14⅝	14¾	—
AIM 86	146	11¾	11⅝	11¾	—⅛
AIM 88	128	14⅛	14	14⅛	—
Ampex	3261	9⅞	8⅞	8⅞	—⅞
ArmorH n	158	8¾	8⅜	8⅝	+½
Astrotc	165	6½	6⅛	6⅛	—
Audvox	18008	8 9/16	7⅞	8	+½
AurorEl	114	1⅞	1⅝	1⅞	+1/16
Autotote	682	1⅞	1 11/16	1 13/16	—
Auxogen un	821	27½	27	27½	+⅛
Azco	347	1 9/16	1½	1½	—1/16
BAT ind	580	16 11/16	16 7/16	16½	—1/16
Baldw	485	2⅞	2 11/16	2¾	—⅛
Balchy	523	20⅞	19½	19¾	—⅜
BT dop	129	25 11/16	25⅝	25⅝	—
BanLb s	258	32⅛	31½	31⅝	—⅝
BSJon wt	120	7/16	⅜	7/16	—1/16
BemaGold	1330	5 11/16	5⅝	5⅝	—1/16
BenchE	141	32	31¼	31¼	—⅝
BenPh	398	3⅛	2 15/16	3⅛	+⅛
BenPh wt	6407	1½	1⅜	1⅜	—1/16
BioR A s	121	32⅛	30⅝	32	+⅞
BlairCp	190	20⅜	20⅛	20⅜	+⅛
BlondT	311	8⅜	8⅛	8¼	+⅛
Bowne	1436	25	24	24⅞	+1¼
Brandyw s	198	20⅞	20⅜	20⅝	+⅛
Brscn g	991	23	22⅞	23	—
BroDva n	725	5 7/16	5 1/16	5⅜	—⅝
Buffton	180	2⅞	2⅝	2¾	+1/16
CE Frnk g	113	4 5/16	4⅛	4⅛	—
CET EnvS	299	7⅞	7	7⅞	+½
CFX Cp	248	16⅝	16⅜	16½	—⅛
CIA	451	8⅞	8	8⅝	—1/16
Cabltn n	313	32⅝	32⅛	32⅜	—⅛
Cablvs pf	1977	22⅛	21⅞	22	—⅛
Calton	216	⅛	⅛	⅛	—1/16
Cambior	235	14⅝	14⅜	14⅜	—⅛
Cambri s	228	35⅝	34⅝	34⅝	—½
CdnOc g s	1779	18⅝	18⅜	18⅜	—⅛
CanyonRs	1744	2⅜	2¼	2⅜	—⅛
Cardien n	286	2⅝	2½	2⅝	—
Caremk n	589	17	16	17	+⅝
CFCda g	635	4 5/16	4¼	4¼	—
Cenage	179	25⅛	24⅞	25⅛	—⅛
ChadThr	131	15⅝	15¼	15⅝	—
Chief	706	24⅝	24⅛	24⅛	—¼
CohenStr	666	13⅝	12⅞	12⅞	—1⅛
ColLb	6896	15⅛	13⅞	15	+1⅜
Comforce	162	11⅝	11⅛	11⅛	—⅛
Cominc g	155	29⅞	28½	28½	—½
CmplMgn	606	13⅞	12⅞	13	—
Comptrn	180	5 9/16	5⅜	5 9/16	+1/16
Centmucre	272	9⅝	8⅞	8 15/16	+1/16
CorelAdl	201	3⅛	2⅞	2⅞	+⅛
Cross	185	12	11⅝	12	+⅛
CrnCP B	263	12⅛	12	12	—⅛
ecCrwnL	347	1⅛	1	1	—1/16
CrusAm	252	5⅛	5⅛	5⅛	—
Cycomm gs	250	3⅞	3⅞	3 7/16	—
Dil Ind	1370	3 5/16	3	3 5/16	—
Deltona	480	1⅛	1 1/16	1⅛	—
ecDaig	255	1⅛	1	1	—
DamH	375	8⅜	8⅜	8⅜	—
Datametr	212	1 1/16	1	1 1/16	—
Datarm	161	9⅞	9 7/16	9 9/16	—1/16
DevnE	590	36⅛	35⅞	35⅞	—⅜
DryCal	347	9⅛	8⅞	9⅛	+⅛
DryfMu	227	10⅛	10	10⅛	—
EZ Serv	196	1 7/16	1⅜	1⅜	—1/16
EchoBay	8577	6 9/16	6⅛	6 9/16	—⅛
Edisto	190	9⅛	9	9⅛	+⅛
EsElek	355	⅝	½	⅝	—
ElPasoE n	1660	7 15/16	7 7/16	7⅞	+⅛
Emeritus	241	13⅛	13	13⅛	+⅛
EmerR	1280	1 5/16	1 3/16	1 5/16	—1/16
EnzoBi	503	18⅜	18⅛	18¼	—⅛
Equisum n	179	8⅛	7⅞	8	—
EquusII	188	17⅛	16⅞	17	—⅛
Fibrsc	275	34⅛	32⅞	34	+1
FtAust	791	8 9/16	8 7/16	8 9/16	+1/16
FAusPr	11709	9	8⅞	8 15/16	—1/16
FtCntrl	127	4 5/16	4	4⅛	—⅛
Filber	323	11⅛	11	11	—⅛
FstHedA n	1289	14⅛	14	14	—⅛
ForstLb	3581	32⅛	31⅞	32⅜	—⅛
FortPet	297	3⅛	3	3	—
FrnkSel	208	5⅛	5⅝	5⅝	—
FreqEl	185	11⅜	11⅛	11¼	+⅛
FrontAdj	239	3 1/16	2 15/16	3	—1/16
GST Tele	541	10⅛	10	10⅛	—
GamaB	378	3⅞	3⅝	3⅝	—⅛
Garan	118	20⅛	19⅝	19⅝	—⅜
GayICn	1912	6⅝	6⅛	6⅛	—⅛
GelmSci	629	27⅛	25⅞	25⅞	—2⅛
Gencor	126	19⅜	19	19⅛	+⅛
GnAuto	166	2 1/16	1⅞	1⅞	—3/16
GnEmp	282	10⅛	10	10	—⅜
GenKinet	114	⅝	9/16	9/16	—
GeronGlc	1716	39⅜	37⅝	38⅛	+⅝
GiantFd	525	36⅛	36	36⅛	+⅛
Glatfl	279	17⅛	17	17⅛	—⅛
GlobInk	535	3⅞	3½	3⅞	+⅛
GoVideo	778	1 11/16	1 9/16	1 11/16	+⅛
GldStarR	357	14½	13⅞	14	—⅜
GrnStCA	166	17⅞	17½	17½	—⅛
Grevlnd	4078	4 11/16	4⅝	4 11/16	+1/16
GrSmec	514	4⅝	3⅞	4⅝	+⅜
HalEP	214	9½	9⅜	9⅜	—1/16
HallwdU n	694	18	17⅝	18	+½
HangOr	329	6⅝	6 5/16	6⅜	—⅛
HanvDir	2597	9/16	5/16	9/16	+⅛
Hcn wtB	15743	1/32		1/32	—
Horizon	10917	3⅞	3 11/16	3⅝	—⅛
Harold	380	13⅝	13½	13⅝	+⅛
Hasbro	3769	40	39½	39⅝	+⅛
HowAir	689	3⅝	3 9/16	3 9/16	—1/16
Hearx h	3198	2⅛	2 1/16	2 1/16	+1/16
HiShearT	317	6 9/16	5⅝	6⅞	+1 1/16
HomeVll n	2301	20⅛	18⅞	20	+1⅜
HomeV wt	995	10⅛	8⅝	10⅛	+1⅛
HoopH	252	16⅛	16⅛	16⅛	+⅛
HousBio	119	1½	1⅜	1 7/16	—
ICG Com	662	17⅛	16⅝	16⅝	—⅛
IGI	150	7⅛	6 11/16	6 11/16	—⅛
Identix	2015	11⅛	10⅛	10⅝	+⅛
ImpCMtg	370	22⅞	22½	22½	—⅜
ImpOil g	816	48⅛	47½	47⅞	—⅛
InCfPd	2850	3⅜	3⅜	3½	+⅛
InterDig	1613	7⅛	7 1/16	7⅛	+1/16
Intrtrino	179	1 3/16	1 1/16	⅞	—1/16
Intrmagn	217	12¾	12	12¾	+⅛
Intrsystm	120	1⅜	1⅛	1⅜	—
IntPolv s	144	23⅞	22⅞	23⅛	—
IonLaser	228	11	10¾	10¾	—¼
IvaxCp	3128	11½	11⅛	11¼	—¼
JTS Corp	11379	4	3¾	4	+⅛
JanBell	174	2⅜	2¼	2⅜	—
KFX Inc	136	5⅜	5⅜	5⅜	—⅛
KV Ph B	119	16⅛	15¾	16	+⅛
KV Ph A	377	16½	15½	16	+⅜
KaisAl	303	9⅞	9⅝	9⅝	+⅛
Keane s	222	32⅜	31⅝	32⅛	+½
KevEng	1330	14	13⅛	13½	—⅛
KnogoNA	191	6⅞	5⅞	6	—
KoorEq	701	18⅛	17⅜	18	+⅛
LXRBiot	130	2¾	2⅝	2⅝	—
LaBarge	116	7⅛	7	7	—
Landaur	131	23⅝	22	22	—⅜
LazKap	153	18⅝	18⅜	18⅜	+⅛
LehSTC wt	1623	9⅝	9⅜	9⅝	+⅛
MC Sho	149	4⅝	4⅝	4⅝	+½
MDC g s	113	9⅞	9⅞	9⅞	—
MSB Bcp	126	19⅛	19⅛	19⅛	—
MagnPet	3147	5⅜	5⅛	5⅜	—⅛
MaximPh n	341	8	7⅞	7⅞	—⅛
MedcR	178	12⅛	11⅞	12⅛	—⅛
Magevo	152	18⅝	18⅛	18⅝	+⅛
Media	476	21⅞	21⅜	21⅞	+¼
MediaLog	147	3⅞	3⅞	3⅞	—
Media	141	6⅜	6⅛	6⅛	+⅛
MrchGp	835	18½	18⅛	18½	—⅛
Metramdo	1688	11¼	10⅞	11¼	+¼
MSNik 97wt	191	2⅞	2⅝	2⅞	+⅜
MntosioE	170	3⅞	3¼	3½	
MuniMtg n	243	17⅛	17	17⅛	+⅛
Munvst	540	9⅞	9 9/16	9⅝	+1/16
NTNCom	2081	4⅛	4	4⅛	+⅛
NVR	127	14	13¾	14	—
Nabors	8791	19⅞	19⅜	19½	—⅜
Nantck	297	2 9/16	2⅞	2 9/16	—⅛
NatBev s	494	7⅞	7⅝	7⅝	—⅛
NtPatnt	448	8	7⅞	7 15/16	—⅛
Netmed n	307	8⅛	7⅞	7⅞	+⅛
NY Times	2459	40⅝	40	40½	—⅛
NA Vacc	434	22½	21⅛	21⅞	—⅛
NthnTch	224	8	7⅞	7⅞	—⅛
Novavx	235	3 9/16	3⅞	3 9/16	—
OSullvnC	150	10⅝	10⅜	10⅜	—⅛
OmniMulti	249	2⅝	2¼	2⅜	—
Oncor	927	4⅞	4⅝	4⅝	—
Oncormd	141	6⅛	6⅞	6¼	—
Orgogn	658	23	22⅞	22⅞	—⅛
PGECap pf	115	24⅝	24⅝	24⅝	—⅛
PLC Sys	497	25⅞	24⅞	25	—⅝
PLM	246	3⅝	3 9/16	3¼	—1/16
PMC	208	14	13⅞	14	
PMC CT	174	18	17½	18	+⅛
PanAmC n	356	8⅛	7⅞	8	
PoranC	1401	9⅝	9 9/16	9 9/16	+1/16
PegGld	8718	8⅛	7⅞	7 15/16	—1/16
PeopleTel	639	3⅞	3⅞	3⅞	
PhcNet	124	3⅞	3 9/16	3⅞	+⅛
Phonetel	233	3½	3⅛	3⅛	
PiedmBc s	132	9½	9⅛	9½	+⅛
PinRsc	341	17⅛	17	17⅛	—⅛
Polymed	726	5⅜	5⅛	5 9/16	+1/16
Polyph	703	4⅞	4 9/16	4⅞	—1/16
PrpdLg	1563	17⅛	16½	17⅛	+⅛
Pricell s	145	10½	10⅛	10⅛	—⅛
ProCT	127	8 9/16	8 9/16	8 9/16	+1/16
PsycCp	321	7⅞	7⅛	7½	+⅛
PF Pow	1859	3	2⅞	2⅞	—1/16
RoaGold	2117	1 1/16	15/16	1 1/16	
RegalBel	737	18⅝	18	18⅛	—½
Riser	171	32⅜	32½	32⅜	+⅛
RoyalO g	2396	3⅛	3	3 1/16	—1/16
SaboPet s	502	23	22⅛	22⅝	—⅛
SageCm s	351	20⅛	19½	20⅛	+⅜
SBYen wt98	661	7⅞	7½	7½	+⅛
SFeGam	353	1¼	1 1/16	1 1/16	—⅛
SFeGa pf	1750	1/16	1/16	1/16	—1/16
Salas	113	18⅝	17⅞	18⅝	+¼
Servico	196	19⅜	18⅝	18⅜	—⅛
ShefldMd	854	3⅞	3 9/16	3⅞	+⅛
Sico	634	11⅝	11⅛	11½	+⅜
SmtBin	394	9⅝	9⅜	9⅜	—⅛
Softnet	156	5⅛	5⅛	5 9/16	+½
SoaliaT n	134	4⅞	4½	4 9/16	—1/16
SportsCb	256	3⅛	3 1/16	3⅛	
SPDR	10763	78⅛	77⅞	78 5/16	+5/16
SP Mid	308	52 1/32	51 29/32	51 27/32	+⅛
StarrtCp	127	10½	10⅛	10⅛	—⅛
StrgCmp	124	13⅝	12½	13½	+1¼
SubstAbus	659	1 13/16	1 11/16	1⅞	—⅛
Sulcus	130	2 1/16	1 15/16	2	
SumTx	118	11⅛	11⅛	11⅛	
SuretyC	245	4⅝	4⅝	4⅝	
SwissNSI	430	4½	3½	4½	+1⅛
TejnR	147	15⅛	14⅞	14⅞	+⅛
TelDta	1314	35	34½	34⅝	—⅛
TexBiotch	1403	5	4 13/16	4⅞	—⅛
TexBi wt	672	1 1/16	15/16	1 1/16	+1/16
ToxMer	1014	16	15½	15⅝	
Thermed	357	19⅞	18⅞	18⅞	+⅛
ThCar s	576	28⅛	26⅞	27⅛	—½
ThrFibr rt	170	3⅝	3¼	3⅝	
ThrmFib s	142	10⅝	10⅛	10⅝	+⅛
Thrinst	263	35⅞	34⅞	35	+¼
ThrOptk n	111	12⅛	11⅞	12⅛	
ThrVolt s	129	12⅞	11⅞	12¼	+⅛
Thrmdsc	816	16	15⅝	15⅝	—⅜
Thrmqst n	128	16	15⅝	15⅝	+⅜
Thrmotx	201	28⅛	27½	27⅝	—¼
TopSrce	261	3 1/16	3	3	—1/16
TotlPet	761	10⅛	10	10⅛	+⅛
TownCty	276	⅞	13/16	⅞	
TWA	13727	6 1/16	5 15/16	5 15/16	—1/16
Trnsmnt n	154	14⅝	14½	14⅝	+¼
TrusMed n	674	15⅞	15	15	+⅛
Trintech	175	5	4 15/16	5	+⅛
Triton	523	⅞	¾	13/16	
TubMex	8569	18½	17⅞	18⅛	+½
USFGP	1809	17⅝	16½	16⅝	—1⅛
UTI Eng	435	34⅛	33⅝	33½	—⅜
Unilab	16398	½	⅜	½	+⅛
Unimar	137	4 11/16	4⅝	4 11/16	—1/16
UnioMbl	124	4½	4⅛	4⅛	—⅜
USBioscl s	851	16⅛	15⅝	15⅝	—½
US Cell	564	26⅛	26⅛	26¼	+⅛
Viacom	993	34⅛	33⅞	34⅛	+⅜
ViacB	4634	34½	33⅞	34½	+½
Viac wtC	141	1/16	1/16	1/16	
Viac wtE	241	2½	2 7/16	2⅜	—⅛
VictaG g	156	1⅞	1⅞	1⅞	—1/16
Vitronic	124	1 9/16	1½	1½	
WRIT	315	18½	18⅛	18⅜	+⅛
Webcotnd	349	6⅝	6 9/16	6⅝	—¼
WRET	174	13⅝	13½	13⅝	
WinstRs	215	3⅝	3½	3⅝	—⅛
WirelssT s	968	11⅜	11	11⅜	
WEBAstla n	139	10⅝	10⅜	10⅝	+⅛
WEBFra n	273	14⅛	14⅛	14⅛	
WEBGer n	386	14⅞	14 9/16	14 11/16	—⅛
WEB HK n	380	15 13/16	15 9/16	15 9/16	—5/16
WEB Ita n	455	16 13/16	16⅝	16 13/16	+3/16
WEB Jpn n	1595	12⅛	12	12	
WEB Mex n	383	12 11/16	12½	12½	—¼
WEB Net n	155	19⅝	19⅝	19⅝	+1/16
WEB Sing n	141	12 7/16	12⅜	12⅜	
WEB Swz n	244	11⅝	11 11/16	11⅝	+⅛
WEB UK n	397	15¼	15	15 1/16	—⅛
XCL Ltd	10958	⅛	⅛	⅛	
Xytron	145	1½	1⅜	1½	

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6881.20	6888.13	6814.24	6850.03	—33.87
Trans	2345.32	2360.47	2337.35	2353.23	+17.88
Util	239.21	240.85	238.89	240.85	+1.33
Comp	2137.69	2137.91	2124.82	2135.69	—0.82

Standard & Poors

	High	Low	Close	Chg.
Industrials	922.77	916.44	922.74	+2.25
Transp.	569.17	561.77	568.25	+6.48
Utilities	205.00	203.45	205.00	+0.94
Finance	87.76	86.21	87.73	+1.27
SP 500	786.23	779.56	786.23	+3.51
SP 100	771.20	763.51	771.18	+2.97

NYSE

	High	Low	Last	Chg.
Composite	412.80	410.12	412.80	+1.23
Industrials	520.29	517.44	520.29	+0.40
Transp.	368.76	364.61	368.22	+3.61
Utility	269.00	267.46	268.79	+0.64
Finance	373.14	368.31	373.08	+4.01

Nasdaq

	High	Low	Last	Chg.
Composite	1386.98	1376.37	1386.98	+10.01
Industrials	1168.90	1166.52	1168.56	+0.92
Banks	1323.74	1315.60	1323.74	+8.06
Insurance	1465.10	1457.53	1464.15	+3.41
Finance	1656.14	1649.74	1656.14	+7.19
Transp.	915.76	911.16	911.28	—10.51

AMEX

	High	Low	Last	Chg.
	590.88	588.50	590.88	+0.94

Dow Jones Bond

	Close	Chg.
20 Bonds	103.54	+0.07
10 Utilities	100.61	—0.05
10 Industrials	106.46	+0.19

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
IBM	122062	160	155	157¼	—10⅝
CmpAsc s	118752	45¼	42⅝	43¼	—2¾
LSI Log	96769	36⅛	34⅜	35⅞	+1⅞
Compaq	92809	84¾	79⅝	83⅜	+4⅞
JohnJn s	66174	58	54⅞	57⅝	+3⅞
AT&T s	64475	39⅛	38⅜	38⅞	—½
MicrnT	51000	30⅛	29⅛	29⅞	—
Iomega s	48065	19⅛	18⅝	19⅛	+½
McDnlds	46732	46⅛	44⅞	45⅛	—1
DowJns	45381	35⅛	33⅞	34½	—⅞
PepsiCo s	45332	32	31⅝	31⅞	+⅛
FstData s	44841	37⅞	34⅞	37⅛	+2⅛
Fst USA s	43813	48⅞	47⅞	48½	+⅛
WalMart	39864	23⅛	22⅝	23	+⅛
CypSem	37775	13⅛	12½	13⅛	+⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Microsft s	161184	98½	94⅞	97⅞	+2⅜
Intel	110191	152⅛	146⅞	152⅛	+4 1/16
Steris	104086	38⅛	26½	29⅞	—8
US Robt s	99596	76⅛	71⅞	72⅛	—1⅛
Atmel	87760	48⅛	45⅛	46½	—⅞
SunMic s	74608	33⅞	32⅛	32⅞	—
Medaph	72819	14⅞	11½	13⅛	+1⅜
WorldCm s	68529	26⅞	26⅜	26⅞	+⅛
Oracle s	63081	42⅞	41⅛	42⅛	+⅛
Norand	54001	33⅛	32	33	+13½
Novell	53254	11⅛	10⅞	11	—⅛
Cisco s	51836	75⅞	73⅛	73 13/16	—1⅛
OakTch s	51626	19	14⅞	14⅞	—⅛
Gate2000	48458	63⅛	58⅞	62⅛	+3½
DellCpt s	47601	67⅛	63⅛	66¼	+2⅛

AMEX

	Vol.	High	Low	Last	Chg.
Audvox	18008	8 9/16	7⅞	8	+½
Unilab	16398	½	⅜	½	+⅛
Hon wtB	15743	1/32		1/32	
TWA	13727	6 1/16	5 15/16	5 15/16	—1/16
FAusPr	11709	9	8⅞	8 15/16	—1/16
JTS Corp	11379	4	3¾	4	+⅛
XCL Ltd	10958	⅛	⅛	⅛	
Horizon	10917	3⅞	3 11/16	3⅝	—⅛
SPDR	10763	78⅛	77⅞	78 5/16	+5/16
Nabors	8791	19⅞	19⅜	19½	—⅜

Trading Activity

NYSE

	Close	Prev.
Advanced	1215	1308
Declined	1234	1244
Unchanged	797	799
Total issues	3246	3351
New Highs	199	193
New Lows	18	13

Nasdaq

	Close	Prev.
Advanced	2067	2116
Declined	1963	1951
Unchanged	1697	1658
Total issues	5727	5725
New Highs	289	269
New Lows	54	47

AMEX

	Close	Prev.
Advanced	237	256
Declined	289	282
Unchanged	210	200
Total issues	736	738
New Highs	40	41
New Lows	12	4

Market Sales

	Today Close	Prev. cons.
NYSE	585.72	689.09
Amex	25.51	30.86
Nasdaq	676.58	681.85
In millions.		

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
BlckRck GvtInc A	-	.0408	1-22	2-20
BlckRck GvtInc C	-	.0358	1-22	2-20
Cdn Nat Railwy	g	.23	3-7	3-26
Classic Bncshrs	-	.07	2-1	2-17
STOCK SPLIT				
HarleysvilleSv Bk 5 for 4 split.				
Hutchinson Tech 3 for 1 split.				
Sigcorp Inc 3 for 2 split.				
INCREASED				
Amp Inc	Q	.26	2-3	3-3
Advantage Bncp	Q	.10	2-7	2-21
CWM Mortgage	Q	.40	1-31	3-3
Comm FnclGp	Q	.05	2-5	2-20
Dime Fncl	Q	.09	2-6	2-24
Fidel Bncp Ill	Q	.08	1-31	2-14
Harleysvill SvBk	Q	.125	2-5	2-19
Lexington Corp	Q	.29	1-31	2-14
Penn Enterpr	Q	.58	3-1	3-15
Summit Bcshrs	Q	.09	1-31	2-14
INITIAL				
CMAC Invest	-	.03	2-7	3-3
Comm BkshrsSC	-	.15	2-28	3-14
Travelers Gp n	-	.15	2-3	2-21
REGULAR				
AK Steel Hldg	Q	.20	2-5	2-17
Anchor Ban	Q	.125	1-31	2-14
Arbor Prop Tr	Q	.175	3-31	5-15
Baker Hughes	Q	.115	2-3	2-21
BancorpSouth Inc	Q	.19	3-14	4-1
Butler Mfg	Q	.12	3-19	4-4
CCB Fncl	Q	.42	3-17	4-1
Carpenter Tech	Q	.33	1-31	3-6
Circle Inco Shrs	M	.0725	2-21	3-7
Circle Inco Shrs	M	.0725	3-21	4-4
Circle Inco Shrs	M	.0725	4-18	5-2
Col McKinnon	Q	.07	3-20	4-3
Condisco Inc	Q	.07	2-7	3-10
Dauphin Deposit	Q	.30	3-21	4-11
Eastern UtilAssoc	Q	.415	1-31	2-15
Eaton Corp	Q	.40	2-3	2-25
FSF Fncl Cp	Q	.125	1-31	2-15
First Tenn Natl	Q	.30	3-14	4-1
First WestrnBcp	Q	.20	2-3	2-10
Guilford Mills	Q	.15	1-30	2-11
Park Natl Cp	Q	.40	2-14	3-10
Peoples First	Q	.20	1-31	2-14
Perpetual Midwest	Q	.075	1-31	2-19
Piper Jaffray	Q	.075	2-18	3-11
Queens City Bncp	Q	.25	2-3	2-14
Schulumb	Q	.375	2-24	4-4
Webster City Fedl	Q	.20	2-3	2-19
Wells Fargo	Q	1.30	1-31	2-20

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 22, 1997

	High	Low	Close	Chge	OpInt
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	2.72	2.69½	2.70¼	—0.01¼	125,854
May 97	2.69¾	2.68	2.69¼	+0.00¼	62,944
Jul 97	2.69½	2.68	2.69	+0.00¼	61,590
Sep 97	2.66½	2.65¼	2.66	+0.00½	8,254
Dec 97	2.66½	2.65¼	2.66¼	+0.00¼	41,776
Est. sales N.A. Tue's. sales 44,666					
Tue's open int 305,348 up 1172					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 97	248.50	235.00	241.50	—5.20	468
Mar 97	239.50	235.70	236.30	—1.80	39,165
May 97	234.30	231.50	232.30	—1.10	20,758
Jul 97	233.50	230.50	231.50	—0.90	17,807
Aug 97	230.50	228.50	229.00	—0.80	3,256
Sep 97	225.00	222.00	222.30	—1.70	2,765
Est. sales N.A. Tue's. sales 18,731					
Tue's open int 87,417 off 1336					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 97	23.95	23.65	23.71	—0.12	645
Mar 97	24.28	23.87	24.00	—0.09	48,866
May 97	24.62	24.28	24.36	—0.11	17,309
Jul 97	24.95	24.60	24.72	—0.10	14,343
Aug 97	25.00	24.80	24.83	—0.12	2,719
Sep 97	25.13	24.86	24.92	—0.13	2,674
Est. sales N.A. Tue's. sales 12,538					
Tue's open int 91,410 off 1262					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	7.50	7.37	7.37	—0.09¼	500
Mar 97	7.50½	7.40	7.40½	—0.06¼	73,974
May 97	7.50	7.39½	7.40	—0.05¾	33,868
Jul 97	7.50	7.40	7.40¼	—0.05½	31,350
Aug 97	7.44¼	7.36	7.36¼	—0.04¼	4,852
Est. sales N.A. Tue's. sales 37,960					
Tue's open int 142,890 up 615					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	3.85	3.78½	3.79¼	—0.03	27,757
May 97	3.68¾	3.62½	3.63½	—0.03¼	9,363
Jul 97	3.49	3.45½	3.46¼	—0.00¾	24,021
Sep 97	3.52	3.48	3.49½	—0.00½	1,524
Est. sales N.A. Tue's. sales 15,813					
Tue's open int 64,076 up 1382					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 97	65.80	65.10	65.37	—0.48	26,595
Apr 97	66.80	66.17	66.40	—0.42	33,998
Jun 97	64.02	63.62	63.75	—0.35	13,076
Aug 97	64.17	63.75	63.85	—0.32	13,703
Oct 97	66.92	66.70	66.82	—0.05	7,177
Dec 97	68.62	68.50	68.68		3,084
Est. sales N.A. Tue's. sales 12,744					
Tue's open int 98,507 up 1470					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 97	70.20	69.82	69.92	—0.25	1,810
Mar 97	69.50	69.10	69.15	—0.37	7,993
Apr 97	69.42	69.22	69.30	—0.45	2,560
May 97	70.00	69.65	69.75	—0.37	3,639
Aug 97	73.00	72.72	72.77	—0.15	3,216
Sep 97	73.20	72.85	72.85	—0.17	635
Est. sales N.A. Tue's. sales 3,596					
Tue's open int 20,819 up 497					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Feb 97	76.00	75.00	75.35	—0.05	10,355
Apr 97	75.77	75.07	75.35	+0.13	10,349
Jun 97	79.85	79.15	79.55	+0.15	6,911
Jul 97	77.50	76.80	77.17	—0.23	1,437
Aug 97	74.35	73.57	73.80	—0.10	1,376
Oct 97	67.25	66.80	66.90	—0.15	1,320
Est. sales N.A. Tue's. sales 8,009					
Tue's open int 32,933 off 945					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	76.80	75.25	75.52	+0.22	3,946
Mar 97	76.80	75.30	75.47	+0.32	1,145
May 97	77.75	76.42	76.80	+0.45	1,675
Jul 97	77.15	76.20	76.70	+0.70	442
Aug 97	75.35	74.55	74.80	+0.80	431
Est. sales N.A. Tue's. sales 2,522					
Tue's open int 7,640 up 200					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1317	1287	1290	—35	26,873
May 97	1346	1320	1321	—32	21,595
Jul 97	1370	1346	1350	—28	12,087
Sep 97	1395	1380	1380	—30	8,040
Dec 97	1478	1478	1478	—30	407
Est. sales 19,753 Tue's. sales 8,392					
Tue's open int 88,451 up 687					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	137.05	127.75	135.30	+5.65	23,478
May 97	132.50	124.25	130.85	+4.85	9,240
Jul 97	129.50	122.00	128.40	+4.75	3,723
Sep 97	126.25	119.25	125.25	+4.60	2,645
Est. sales 15,897 Tue's. sales 14,828					
Tue's open int 41,236 up 1710					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	10.23	10.13	10.17		69,477
May 97	10.35	10.27	10.32	+0.03	39,298
Jul 97	10.33	10.26	10.29		26,763
Oct 97	10.36	10.29	10.35	+0.02	18,954
Est. sales 22,273 Tue's. sales 46,994					
Tue's open int 156,207 up 5480					

	High	Low	Close	Chge	OpInt
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 97	88.40	86.80	86.85	+0.20	21,188
May 97	90.70	89.60	89.70	+0.15	6,009
Jul 97	93.85	92.50	92.60	+0.25	1,819
Sep 97	96.30	95.30	95.30	—0.05	7,308
Est. sales N.A. Tue's. sales 4,465					
Tue's open int 30,867 off 195					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 97			351.20	—2.10	4
Feb 97	353.90	349.80	351.70	—2.10	76,406
Mar 97	352.80	352.00	352.50	—2.10	
Apr 97	355.20	352.10	353.30	—2.10	43,902
Jun 97	356.70	354.30	355.50	—2.20	21,602
Aug 97	359.70	356.60	357.80	—2.40	7,885
Oct 97			360.20	—2.40	3,032
Dec 97	363.50	362.20	362.70	—2.40	15,808
Est. sales N.A. Tue's. sales 51,221					
Tue's open int 205,471 up 3280					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 97	111.35	109.50	111.25	+1.45	3,795
Feb 97	108.80	107.70	108.80	+1.25	2,848
Mar 97	107.40	106.00	107.30	+1.05	25,139
Apr 97	105.20	104.70	105.20	+0.75	1,031
May 97	103.90	102.70	103.75	+0.80	6,309
Jun 97			102.90	+0.75	763
Jul 97	101.70	100.95	101.65	+0.70	3,941
Aug 97			100.70	+0.70	575
Sep 97	99.50	99.10	99.90	+0.75	2,584
Est. sales N.A. Tue's. sales 8,982					
Tue's open int 55,103 off 1329					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 97	469.0	468.5	469.9	+1.1	15
Feb 97			470.4	+0.8	32
Mar 97	474.5	469.0	472.2	+0.8	63,481
May 97	478.0	473.5	476.9	+0.9	10,517
Jul 97	482.5	479.0	481.4	+0.9	8,747
Sep 97			486.0	+0.9	2,965
Dec 97	495.5	489.8	493.0	+0.9	4,744
Jan 98			495.8	+0.9	9
Est. sales N.A. Tue's. sales 12,989					
Tue's open int 93,223 off 822					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97			355.30	—2.00	10
Apr 97	362.00	359.50	359.80	—1.70	20,190
Jul 97	364.00	363.00	362.10	—1.70	2,915
Oct 97	365.00	365.00	364.30	—1.70	2,296
Jan 98	368.50	368.50	366.70	—1.80	1,076
Est. sales N.A. Tue's. sales 2,524					
Tue's open int 26,487 up 754					

LONDON METALS (LME) Dollars per metric ton

			Close		Previous
Aluminum (High Grade)					
Spot	1594½	1595½		1586.00	1587.00
Forward	1624.00	1625.00		1616.00	1617.00
Copper Cathodes (High Grade)					
Spot	2505.00	2510.00		2487.00	2492.00
Forward	2254.00	2255.00		2249.00	2251.00
Lead					
Spot	701½	702½		697.00	698.00
Forward	712.00	713½		707.00	707½
Nickel					
Spot	7160.00	7170.00		7205.00	7215.00
Forward	7265.00	7270.00		7310.00	7315.00
Tin					
Spot	5955.00	5965.00		5955.00	5960.00
Forward	6015.00	6020.00		6010.00	6015.00
Zinc (Special High Grade)					
Spot	1126½	1127½		1120.00	1121.00
Forward	1147.00	1148.00		1141.00	1142.00

	High	Low	Close	Chge	OpInt
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	94.94	94.92	94.92		4,781
Jun 97	94.78	94.77	94.77	—0.01	3,232
Sep 97	94.60	94.57	94.58	—0.01	333
Est. sales N.A. Tue's. sales 546					
Tue's open int 8,266 up 116					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	106-14	106-07	106-075	— 03	171,466
Jun 97	106-02	105-31	105-31	— 03	8,662
Sep 97	105-26	105-24	105-24		
Est. sales 40,000 Tue's. sales 39,580					
Tue's open int 180,128 up 2923					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	108-26	108-14	108-15	— 06	322,733
Jun 97	108-06	107-28	107-29	— 06	13,648
Sep 97			107-13	— 06	663
Est. sales 75,000 Tue's. sales 75,707					
Tue's open int 337,044 off 1336					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	111-25	111-08	111-01	— 15	479,942
Jun 97	111-09	110-17	110-17	— 15	26,339
Sep 97	110-28	110-04	110-04	— 15	5,533
Dec 97			109-22	— 15	3,857
Est. sales 400,000 Tue's. sales 407,719					
Tue's open int 515,725 up 14593					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 97	101.92	101.52	101.60	+ 0.15	227,566
Jun 97	100.90	100.78	100.70	+ 0.15	6,439
Est. sales: 213,550. Prev. sales: 235,410					
Prev. open int.: 234,005 up 2,135					

	High	Low	Close	Chge	OpInt
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar 97	111-28	111-05	111-20	+ 0-24	149,703
Est. sales: 93,350. Prev. sales: 73,933					
Prev. open int.: 170,152 up 5,052					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	131.16	130.74	130.80	+0.26	122,396
Jun 97	129.70	129.56	129.42	+0.26	11,837
Sep 97	127.96	127.96	127.72	+0.26	787
Dec 97	N.T.	N.T.	97.08	+0.26	0
Est. volume: 195,539. Open int.: 135,020 off 3,191.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 97	132.30	131.80	131.98	+ 0.25	112,633
Jun 97	131.70	131.50	131.48	+ 0.26	3,860
Est. sales: 68,247. Prev. sales: 48,470.					
Prev. open int.: 116,483 up 2,645					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Feb 97	94.430	94.410	94.420		13,921
Mar 97	94.400	94.380	94.380		393,801
Apr 97	94.330	94.310	94.320		2,157
Jun 97	94.240	94.200	94.200	—10	368,150
Mar 00	93.300	93.240	93.250	—20	38,581
Jun 00	93.230	93.180	93.190	—20	35,353
Sep 00	93.180	93.130	93.140	—20	30,539
Dec 00	93.100	93.050	93.060	—20	24,595
Est. sales N.A. Tue's. sales 398,842					
Tue's open int 2,306,253 up 16251					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6538	1.6310	1.6326	—284	36,188
Jun 97	1.6548	1.6290	1.6300	—282	2,493
Sep 97			1.6274	—276	1,027
Dec 97			1.6248	—270	7
Est. sales N.A. Tue's. sales 6,980					
Tue's open int 39,625					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7524	.7483	.7508	—1	40,278
Jun 97	.7568	.7528	.7553	—1	3,852
Sep 97	.7600	.7576	.7592	—1	3,451
Dec 97	.7646	.7610	.7631	—1	440
Est. sales N.A. Tue's. sales 5,148					
Tue's open int 52,257					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 97	.6167	.6097	.6106	—55	75,738
Jun 97	.6188	.6143	.6144	—57	5,184
Sep 97			.6186	—58	2,187
Dec 97			.6229	—59	18
Est. sales N.A. Tue's. sales 40,342					
Tue's open int 83,047					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 97	.008550	.008457	.008460	—78	72,821
Jun 97	.008595	.008568	.008571	—79	2,058
Sep 97	.008715	.008690	.008685	—80	452
Est. sales N.A. Tue's. sales 22,865					
Tue's open int 75,440					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.7093	.7002	.7021	—69	47,503
Jun 97	.7114	.7082	.7085	—71	1,927
Sep 97	.7182	.7157	.7152	—73	1,884
Est. sales N.A. Tue's. sales 20,229					
Tue's open int 51,415					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Feb97	96.92	96.92	96.92	— 0.01	3,824
Mar97	96.94	96.93	96.93	Unch.	224,514
Apr97	96.95	96.93	96.93	Unch.	1,641
Jun97	96.96	96.91	96.93	— 0.01	191,294
Sep97	96.87	96.82	96.82	— 0.02	148,484
Dec97	96.72	96.63	96.63	— 0.04	151,744
Mar98	96.55	96.44	96.45	— 0.05	105,420
Jun98	96.32	96.21	96.22	— 0.05	90,186
Sep98	96.06	95.96	95.96	— 0.05	74,522
Dec98	95.77	95.67	95.67	— 0.05	63,606
Mar99	95.52	95.41	95.40	— 0.05	41,636
Jun99	95.25	95.16	95.14	— 0.05	23,203
Sep99	94.97	94.87	94.88	— 0.05	19,132
Dec99	94.73	94.64	94.62	— 0.05	7,503
Mar00	94.47	94.46	94.37	— 0.05	434
Jun00	N.T.	N.T.	94.12	— 0.05	111
Sep00	93.93	93.93	93.88	— 0.05	0
Dec00	N.T.	N.T.	93.65	— 0.05	100
Est. sales: 246,464. Prev. sales: 142,960					
Prev. open int.: 1,149,258 off 9,947					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar97	93.69	93.60	93.67	+ 0.08	104,630
Jun97	93.47	93.35	93.45	+ 0.12	91,464
Sep97	93.25	93.10	93.21	+ 0.13	62,155
Dec97	93.08	92.92	93.04	+ 0.15	52,176
Mar98	92.96	92.81	92.93	+ 0.15	35,944
Jun98	92.88	92.73	92.83	+ 0.14	29,258
Sep98	92.81	92.68	92.76	+ 0.12	20,387
Dec98	92.74	92.61	92.69	+ 0.12	16,204
Mar99	92.71	92.57	92.63	+ 0.10	8,228
Jun99	92.65	92.57	92.59	+ 0.12	6,380
Sep99	92.58	92.48	92.53	+ 0.13	5,697
Dec99	92.54	92.45	92.50	+ 0.13	2,202
Est. sales: 139,595. Prev. sales: 104,544					
Prev. open int.: 436,617 up 11,817					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.81	96.76	96.77	+0.00	76,930
Jun 97	96.86	96.81	96.81	—0.01	46,736
Sep 97	96.84	96.78	96.78	—0.01	34,449
Dec 97	96.76	96.69	96.70	+0.00	24,809
Mar 98	96.66	96.58	96.59	+0.00	16,547
Jun 98	96.48	96.41	96.42	+0.02	13,421
Sep 98	96.27	96.19	96.20	+0.02	10,777
Dec 98	96.00	95.91	95.92	+0.01	10,221
Mar 99	95.70	95.66	95.66	+0.03	11,903
Jun 99	95.43	95.40	95.40	+0.02	5,549
Sep 99	95.15	95.15	95.15	+0.07	2,468
Dec 99	94.89	94.87	94.88	+0.07	1,008
Est. volume: 71,238. Open int.: 255,018 up 132.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar97	93.56	93.38	93.40	— 0.07	98,437
Jun97	94.17	93.99	94.00	— 0.04	66,925
Sep97	94.42	94.31	94.32	— 0.01	41,443
Dec97	94.56	94.46	94.48	+ 0.02	27,455
Mar98	94.53	94.49	94.51	+ 0.03	14,028
Jun98	94.50	94.47	94.47	+ 0.04	7,018
Est. sales: 84,720. Prev. sales: 42,864					
Prev. open int.: 255,706 up 305					

	High	Low	Close	Chge	OpInt
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	74.45	73.30	74.10	+1.10	36,060
May 97	75.83	74.85	75.57	+0.97	17,187
Jul 97	76.85	75.90	76.65	+1.00	7,981
Oct 97	76.90	76.70	76.80	+0.75	1,467
Dec 97	77.00	76.25	76.80	+0.68	10,731
Mar 98	77.98	77.25	77.67	+0.62	613
Est. sales N.A. Tue's. sales 18,476					
Tue's open int 64,478 up 3964					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 97	67.05	65.85	66.80	+0.77	32,272
Mar 97	66.30	65.05	66.00	+0.79	27,575
Apr 97	64.10	63.00	63.90	+0.64	18,786
May 97	61.80	60.85	61.80	+0.74	6,487
Jun 97	60.00	59.15	59.90	+0.44	6,114
Jul 97	59.20	58.50	59.15	+0.39	3,477
Aug 97	59.45	58.70	59.45	+0.49	2,999
Sep 97	59.80	59.35	59.80	+0.49	2,974
Oct 97	60.25	60.25	60.25	+0.59	1,388
Dec 97	60.95	60.20	60.80	+0.44	4,494
Est. sales N.A. Tue's. sales 36,778					
Tue's open int 105,488 up 819					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Mar 97	24.58	23.80	24.22		88,378
Apr 97	24.01	23.35	23.73	+0.02	39,561
May 97	23.50	22.95	23.30	+0.05	21,286
Jun 97	23.04	22.40	22.80	+0.02	32,487
Jul 97	22.58	22.30	22.45	+0.09	15,439
Aug 97	22.25	22.10	22.74	+0.14	14,339
Sep 97	21.83	21.55	21.80	+0.14	15,421
Oct 97	21.45	21.45	21.45	+0.13	10,015
Nov 97	21.17	20.93	21.17	+0.18	7,455
Dec 97	20.90	20.66	20.89	+0.18	24,181
Jan 98	20.68	20.44	20.68	+0.22	10,899
Mar 98	20.25	20.25	20.25	+0.17	2,013
Jun 98	19.95	19.90	19.90	+0.28	12,504
Est. sales N.A. Tue's. sales 108,530					
Tue's open int 355,129 off 11971					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 97	3.000	2.840	2.890	—26	23,748
Mar 97	2.700	2.565	2.620	—32	27,428
Apr 97	2.370	2.285	2.310	—25	15,013
May 97	2.200	2.140	2.160	—30	12,073
Jun 97	2.150	2.095	2.120	—30	8,700
Jul 97	2.135	2.100	2.120	—18	8,272
Aug 97	2.130	2.090	2.120		7,806
Sep 97	2.130	2.090	2.110	—5	6,291
Oct 97	2.120	2.090	2.105	—10	7,542
Nov 97	2.215	2.190	2.205		4,169
Dec 97	2.305	2.290	2.302		7,778
Est. sales N.A. Tue's. sales 45,517					
Tue's open int 161,928 up 8					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 97	68.50	66.95	68.22	+0.78	22,820
Mar 97	68.75	67.25	68.51	+0.84	23,007
Apr 97	70.20	68.90	70.01	+0.76	11,263
May 97	69.70	68.40	69.49	+0.74	6,751
Jun 97	68.25	67.50	68.17	+0.74	4,395
Jul 97	66.30	65.95	66.37	+0.74	2,744
Est. sales N.A. Tue's. sales 31,219					
Tue's open int 72,240 up 1574					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 97	207.25	202.50	203.00	—0.75	23,796
Mar 97	202.50	199.25	200.00	+0.75	13,807
Apr 97	196.50	193.75	194.00	+0.50	8,812
May 97	190.25	188.50	189.50	+1.25	3,469
Jun 97	186.75	185.50	185.75	+0.50	7,558
Jul 97	186.25	185.00	185.25	+0.50	2,676
Aug 97	N.T.	N.T.	184.75	+0.50	1,085
Sept 97	186.50	186.50	184.50	+0.50	646
Oct 97	N.T.	N.T.	184.25	+0.25	1,021
Nov 97	N.T.	N.T.	184.00	+0.25	572
Dec 97	185.25	183.75	183.75	+0.25	2,983
Est. sales: 20,500. Open int.: 66,904 off 201					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Mar 97	22.80	22.31	22.48	+0.12	66,057
Apr 97	22.34	21.88	22.02	+0.05	25,943
May 97	21.93	21.56	21.42	+0.02	13,778
June 97	21.50	21.16	21.24	+0.01	17,817
July 97	21.12	20.90	20.87	+0.01	11,701
Aug 97	20.80	20.78	20.54	+0.03	2,891
Sep 97	20.45	20.20	20.23	+0.04	5,344
Oct 97	19.92	19.92	19.94	+0.05	3,207
Nov 97	19.67	19.67	19.67	+0.06	2,647
Dec97	19.43	19.43	19.42	+0.06	3,126
Est. sales: 38,000. Open int.: 153,156 up 899					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	790.95	782.90	789.10	+2.15	187,585
Jun 97	797.50	790.50	796.50	+2.20	8,466
Sep 97			802.30	+0.35	1,738
Est. sales N.A. Tue's. sales 78,561					
Tue's open int 198,495 up 957					
FTSE 100 (LIFFE) £25 per index point					
Mar97	4237.0	4205.0	4227.0	+ 27.0	60,129
Jun97	4240.0	4240.0	4247.0	+ 26.0	3,066
Sep97	N.T.	N.T.	4277.0	+ 27.0	1,384
Est. sales: 13,798. Prev. sales: 12,873					
Prev. open int.: 66,581 up 593					
CAC 40 (MATIF) FF200 per index point					
Jan 97	2456.0	2434.0	2445.5	+27.50	21,608
Feb 97	2460.5	2438.5	2450.0	+28.00	6,257
Mar 97	2460.0	2443.5	2455.5	+27.50	17,875
Jun 97	2419.5	2412.0	2418.5	+27.50	1,737
Sep 97	2433.5	2425.5	2427.5	+28.00	6,276
Mar 98	N.T.	N.T.	2464.0	+27.50	6,993
Sep 98	N.T.	N.T.	2439.0	+27.50	710
Est. volume: 26,681. Open int.: 61,456 off 100.					

Commodity Indexes

	Close	Previous
Moody's	1,451.90	N.A.
Reuters	1,933.00	1,929.60
D.J. Futures	151.40	150.06
CRB	240.90	240.97

Germany Reaches Tax Accord

Cuts Are Designed to Lure International Investors

Compiled by Our Staff From Dispatches

BONN — The government has reached an agreement that would cut income and corporate taxes beginning next year to try to make Germany more attractive to international investors, Finance Minister Theo Waigel said Wednesday.

Entering a meeting of a working group on taxes, Mr. Waigel said the new rates would create "a real incentive for new jobs" in Germany.

Mr. Waigel will hold a news conference Thursday to announce details of the plans, which are expected to reduce taxes by 25 billion Deutsche marks ($15.34 billion). For the government, the tax cuts would translate into a loss of about 70 billion DM in revenue.

It is not clear how the government would pay for the measures. So far, Bonn has said it wants to fill the tax gap by eliminating loopholes and increasing the value-added tax by one or two percentage points.

The Free Democratic Party, the junior coalition partner that in recent years has been the strongest advocate of tax cuts, has indicated it is uncomfortable with the idea of raising the value-added tax from 15 percent.

Sources from the tax-policy group said a compromise had been reached between Mr. Waigel's wish to keep Germany's sliding tax scale and the call by the Free Democrats for a low tax rate at the bottom of the scale.

The new tax model would start with a flat rate of 15 percent on annual income of between 13,000 DM and 20,000 DM. The rate would then jump at first to 22 percent and eventually to 39 percent. The current bottom and top rates are 26 percent and 53 percent.

In addition to the income-tax cuts, taxes on corporations would fall to 35 percent from 47 percent. The corporate tax changes would take effect Jan. 1, 1998.

Tax reform, the subject of considerable wrangling in recent months, is likely to become the centerpiece of Chancellor Helmut Kohl's re-election campaign next year.

The tax policy group was due to finalize its work Wednesday night, and Mr. Kohl and leaders from the three coalition parties were expected to approve the plan Thursday. *(Reuters, Bloomberg)*

■ Growth Grinds to a Halt

The Economics Ministry said Germany's economy slowed to about zero growth in the last quarter of 1996 compared with the third quarter, news agencies reported. Germany's economy emerged from three quarters of stagnation last year, but the recovery has been slow.

"In the last quarter of 1996, total performance was about the same as in the third quarter," the Economics Ministry said in a summary of its January monthly report.

Gross domestic product grew 1.0 percent in the third quarter from the second quarter.

Separately, leading European economists said Germany's economy would post solid growth this year and in 1998 but not enough to bring the unemployment rate below 10 percent. *(AP, AFP)*

Roche Shares Surge On Purchase Rumors

Bloomberg News

LONDON — Roche Holding AG's strategic intentions jumped to the forefront again Wednesday as shares in the Swiss drugmaker surged 7 percent on speculation it could be planning a major acquisition.

In an industry where the companies keep buying one another, Roche is almost sure to use its large pile of cash to make a major acquisition soon, analysts said.

Such speculation is not new. For several years, shares in such companies as Britain's Zeneca Group PLC, Warner-Lambert Co. in the United States and Sweden's Astra AB have jumped with the view that Roche could be looking at buying them.

While Roche insists it is well placed without an acquisition, its stock rose 765 francs ($541.13) Wednesday, to 11,935 francs on speculation it could be poised to sell its underperforming Givaudan-Roure fragrances and flavorings division. The proceeds could be added to the company's $10 billion war chest for a major purchase, analysts said.

"If Roche wanted to shed a unit before strengthening its pharmaceuticals portfolio, Givaudan would be a prime candidate," said Claudio Werder, an analyst at Bank J. Vontobel AG. "It's the one unit that fits least into the company's strategy."

Roche declined to comment on the talk it will sell the business.

Speculation about a major Roche acquisition was heightened last year when Sandoz AG and Ciba-Geigy AG joined to form Novartis AG.

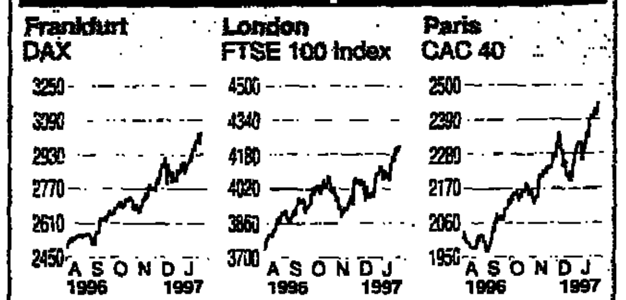
"Last summer, everybody was only talking about Novartis," said Patrick Carisch, head of equities at Credit Suisse Asset Management and a Roche shareholder. "Now, Roche is back in vogue, and people obviously expect something from the company sooner or later."

While Roche faces patent expirations of major drugs in several years, the company that built itself on the success of the anti-depressant Valium has some possible blockbuster drugs close to market that could push growth, along with a big foothold in the booming biotechnology market.

Stuart Harris, an analyst at Dresdner Kleinwort Benson, said Roche could put together financing of $20 billion more if it wanted to acquire a company. "They could fund a deal pretty easily," he said.

Combating newly powerful group buyers of drugs and struggling to cut costs to fund research and development, the drug industry has seen dozens of agreed or forced marriages in recent years. These include Glaxo PLC's $14.7 billion takeover of Wellcome PLC, the American Home Products Corp. purchase of American Cyanamid Co. for $9.7 billion and Hoechst AG's purchase of Marion Merrill Dow Inc. for $7.1 billion.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	EOE	681.28	672.32	+1.33
Brussels	BEL-20	2,047.67	2,024.97	+1.12
Frankfurt	DAX	3,028.67	2,976.71	+1.75
Copenhagen	Stock Market	503.41	501.71	+0.34
Helsinki	HEX General	2,724.76	2,691.88	+1.22
Oslo	OBX	572.71	569.76	+0.52
London	FTSE 100	4,219.10	4,195.50	+0.56
Madrid	Stock Exchange	475.81	471.68	+0.88
Milan	MIBTEL	12,431.00	12,223.00	+1.70
Paris	CAC 40	2,442.46	2,409.88	+1.35
Stockholm	SX 16	2,687.55	2,652.18	+1.33
Vienna	ATX	1,180.30	1,175.71	+0.39
Zurich	SPI	2,638.67	2,581.59	+2.21

Source: Telekurs — International Herald Tribune

SGS Shares Drop On Profit Slump

Bloomberg News

PARIS — Shares of SGS-Thomson Microelectronics NV plunged 12 percent Wednesday after Europe's biggest semiconductor maker said fourth-quarter profit fell 15.5 percent and warned revenue could fall in the first quarter.

Profit fell to $142 million from $168 million a year ago, despite an increase in revenue to $1.06 billion from $974.7 million.

The company warned that first-quarter sales would fall to about $988.4 million, hurt by pricing pressures caused by oversupply in its lower-margin memory products. It expects renewed growth throughout the rest of the year.

Analysts said the results were broadly in line with expectations but that investors were on edge because SGS-Thomson's shares had more than doubled over the past year. They closed Wednesday at 379.40 francs ($69.30), down 51.60.

EU to Open Boeing Inquiry

Bloomberg News

BRUSSELS — The European Commission's top competition official said Wednesday that it would open an antitrust inquiry into Boeing Co.'s $13.9 billion acquisition of McDonnell Douglas Corp. amid concern that the alliance would strangle competition.

The purchase, announced last month, would make Boeing the world's biggest maker of military aircraft and bolster its primacy in the civilian aircraft market, ahead of Europe's Airbus Industrie.

"I had told you we were considering investigating this, but there is now no doubt this is a case we want to examine," said Karel Van Miert, competition commissioner. He did not give further details.

Robert Alizart, vice president for corporate communications at Airbus, said: "There are long-term implications of this merger; we will make our concerns known to the commission. At this stage, we'd rather reserve our views for the commission."

Under a bilateral accord with the United States, the EU could block Boeing's acquisition of McDonnell.

When Boeing announced its intention to buy McDonnell, Airbus said it was not worried because McDonnell had practically ceased to compete in the civil jet market.

Mr. Van Miert also said Wednesday that government aid for industry had reached worrying levels, and it pledged to get tough on subsidies that help weak companies and penalize competitive ones.

The threat by Mr. Van Miert "to try to be a little tougher than we have been" comes as the commission examines subsidies for such companies as Credit Lyonnais of France and Volkswagen AG of Germany.

Mr. Van Miert said the latest data, from 1993 and 1994, showed governments dispensing 97 billion European currency units ($116.8 billion) in subsidies to companies, with 44 percent going to manufacturers.

Meanwhile, the commission also accused Italy on Wednesday of unnecessarily delaying the opening of its phone industry and said it was "less than satisfied" with Rome's pledge to ensure fair competition in the mobile-phone industry.

Euro Disney's Sales Rise

Bloomberg News

PARIS — Euro Disney SCA, operator of the Disneyland Paris theme park, said Wednesday its sales jumped 13 percent in its fiscal first quarter as attendance rose and visitors spent more money at its hotels and attractions.

Euro Disney, Europe's largest theme-park operator, said sales rose to 1.13 billion francs ($205 million) in the three months ended Dec. 31 from 1.01 billion francs a year earlier.

Operating revenue from the theme park and hotels rose 11 percent, to 1.12 billion francs.

Analysts said sales were better than expected, suggesting the company, which faces rising interest costs in the next few years, was attracting more visitors.

"A sales increase of that balance was above my expectations," said Jeff Summers, analyst at Klesch & Co. in London. "That suggests they are on line for park attendance of between 12.5 million and 13 million this year, which means they should be able to offset increased finance charges that kick in this year." Attendance in the company's previous financial year was 11.7 million.

Very briefly:

- **Credit Foncier de France's** employees released Jerome Meysonnier, the bank's chairman, on the sixth day of their siege of the company's Paris headquarters. The employees were trying to stop the government from breaking up the company, putting 800 jobs at risk.
- **France** is considering a spending freeze this year, the government said in response to a newspaper report that said 20 billion francs ($3.65 billion) might be cut from the government's budget to meet the European Union's single-currency criteria. Under its finance bill for 1997, France would meet the requirement that the public deficit not exceed 3 percent of gross domestic product.
- **Allied Irish Banks PLC's** shares rose after the British bank said its acquisition, announced Tuesday, of **Dauphin Deposit** Corp. of the United States would increase earnings by as much as 9 percent by 1999 through cost savings and wider distribution of its products. Allied Irish's U.S. subsidiary, First Maryland Bank, will pay about $1.36 billion for Dauphin.
- **Lazard's** investment houses were the most successful advisers on cross-border takeovers in Europe last year in a business increasingly dominated by U.S. investment banks, according to Acquisitions Monthly magazine. The three Lazard businesses in London, Paris and New York collectively advised on 46 transactions with a total value of £12 billion ($20 billion).
- **Russia** plans to sell stakes of 25 percent of the telecommunications company **Svyazinvest** to foreign investors and 24 percent to domestic buyers, Communications Minister Vladimir Bulgak said.
- **Kirch Group** cannot broadcast or advertise its DF1 digital-television programs outside Bavaria, a court in Hamburg ruled in deciding in favor of the pay-TV network **Premiere**, which has planned to broadcast digital programs across Germany.

Bloomberg, Reuters, AFP

WORLD STOCK MARKETS

Wednesday, Jan. 22
Prices in local currencies.
Telekurs

Amsterdam — EOE Index: 681.28 Previous: 672.32

	High	Low	Close	Prev.
ABN-AMRO	121.60	120	121	118.80
Aegon	120	117.90	119	118.20
Ahold	116	113.30	115.60	112.50
Akzo Nobel	255	251	253	249.50
Baan Co.	81.50	77.60	79.60	77.50
Bols Wess cva	33.30	32.10	33.20	32.10
CSM cva	100.50	99.20	100	98.90
Dordtsche Pet	345	340.50	342.50	336.50
DSM	181	173.80	179.90	172.50
Elsevier	28.90	28.40	28.40	28.10
Fortis Amev	68.90	67.50	68.60	66.80
Getronics	54.80	53.20	53.50	54.10
G-Broc cva	58.50	57.30	57.80	57.80
Hagemeyer	147.40	146	146.20	146.50
Heineken	297	290.20	295.40	289.20
Hoogovens cva	73.60	70	73.20	69.90
Hunt Douglas	129.30	127.30	127.60	128
ING Group	71.70	70.20	71.20	70
KLM	49.80	48.70	49.70	48.30
KNP BT	41.50	38.20	41	38.10
KPN	65.40	64.70	65.10	64.20
Nedlloyd Gp	57.70	56.20	57.20	56.30
Nutricia	274	267.80	273	267.50
Oce Grinten	212.50	209.50	211	204.50
Philips Elec	77.40	74.50	75.10	76.30
Polygram	82.80	80.10	81.80	80
Randstad Hdg	134.50	131.50	132.90	132.50
Robeco	154.80	153.30	153.70	152.20
Rodamco	55.30	54.20	54.70	53.80
Rolinco	160.50	158	160	158.50
Rorento	109	108.50	108.50	108.30
Royal Dutch	324.40	320.60	322	317.80
Unilever cva	310	306.50	307.90	305.70
Vendex Intl	83.20	81.10	83	80.60
VNU	37.50	36.80	37.10	36.90
Wolters Kl cva	226.60	221.50	223.50	223.10

Bangkok — SET Index: 858.97 Previous: 854.18

	High	Low	Close	Prev.
Adv Info Svc	256	244	254	242
Bangkok Bk F	280	268	276	270
Krung Thai Bk	57	54	54.50	54.50
PTT Explor	404	392	392	398
Siam Cement F	928	916	916	928
Siam Com Bk F	202	193	202	187
Telecomasia	55	51	51	54
Thai Airways	43	40	40	40
Thai Farm Bk F	186	175	179	185
Utd Comm	192	186	191	185

Bombay — Sensex 30 Index: 3427.09 Previous: 3382.74

	High	Low	Close	Prev.
Bajaj Auto	912	896	901.25	905.50
Hindust Lever	880	871	876	871.75
Hindust Petm	362	351.75	360	350.75
Ind Dev Bk	101.75	98	99.50	97.50
ITC	410	398	400.50	395.50
Mahanagar Tel	246.75	238.75	242	239
Reliance Ind	250.50	236.50	247.75	236
State Bk India	281	272.75	277	275
Steel Authority	22.50	21.25	22	21.25
Tata Eng Loco	343.25	331	334.75	341

Brussels — BEL-20 Index: 2047.67 Previous: 2024.97

	High	Low	Close	Prev.
Almanij	12150	11925	12150	11925
Barco Ind	5510	5330	5490	5290
BBL	7050	6910	6970	6870
Bekaert	18700	18500	18525	18600
CBR	3500	3370	3480	3450
CNP	2055	2050	2055	2025
Cobepa	1280	1250	1276	1250
Cockerill	119	118	119	119
Colruyt	14850	14425	14850	14300
Delhaize Lion	2070	2065	2075	2065
Electrabel	7970	7880	7900	7890
Electrafina	3145	3090	3135	3110
Fortis AG	5690	5620	5680	5590
Gevaert	2320	2255	2310	2240
GIB	1630	1575	1625	1565
GBL	4540	4460	4500	4470
Gen Banque	11900	11750	11900	11725
Kredietbank	11600	11325	11400	11175
Petrofina	11350	11175	11325	11150
Powerfin	4850	4810	4845	4820
Royale Belge	7840	6980	7030	6970
Soc Gen Belg	2560	2530	2560	2530
Solvay	22950	22600	22650	22575
Tractebel	14750	14650	14700	14675
UCB	95450	94050	94450	93500
Union Miniere	2290	2260	2285	2230

Copenhagen — Stock Index: 503.41 Previous: 501.71

	High	Low	Close	Prev.
BG Bank	290	283	287	283
Carlsberg B	393	390	390	371
Codan Fors	857	845	845	865
Danisco	372	366	367	368
Den Danske Bk	498	489	497	487
D/S Svendborg B	253000	250500	250500	252000
D/S 1912 B	175000	173500	173500	174000
FLS Ind B	847.50	840	845	835
Kob Lufthavne	687.04	674.32	680	685
Novo Nordisk B	561	555	557	555
Sophus Ber B	782	764	782	763
Tele Danmk B	350	338	350	337
Tryg-Baltica	331	319.68	328	326
Unidanmark A	358	337	340	340

Frankfurt — DAX: 3028.67 Previous: 2976.71

	High	Low	Close	Prev.
AMB B	985	975	985	990
Adidas	152.50	150.50	150.70	147.50
Allianz Hdg	2898	2867	2883	2807
Altana	1330	1318	1320	1295
Bk Berlin	33.70	32.85	32.98	32.40
BASF	59.99	58.40	59.88	58.11
Bayer Hypo Bk	52.80	51.40	51.55	52.10
Bay Vereinsbank	64.62	63.40	63.55	63.25
Bayer	62.95	62.26	62.44	62.32
Beiersdorf	84.30	83	83.70	81.50
BMW	1090	1075	1077	1075
Commerzbank	44.60	43.95	43.95	44.10
Daimler Benz	116.10	114.10	114.95	112.60
Degussa	742.75	732	742	730
Deutsche Bank	84.20	82.90	83.02	80.50
Deut Telekom	31.38	31.02	31.11	31.06
Dresdner Bank	55	54.35	54.68	53.80
Fresenius	323	322	322	318
Fresenius Med	150.80	149	150.80	144
Fried. Krupp	250	248	249	247.50
Gehe	110.70	109.50	110.10	106
Heidelbg Zmt	132.50	132.20	132.20	133
Henkel pfd	86.40	85.20	85.70	84.70
Hochtief	65.30	64	65	63.20
Hoechst	70.45	69.83	70.28	68.20
Karstadt	486	479	479	482
Linde	1071	1055	1055	1050
Lufthansa	23.75	23.40	23.40	22.80
MAN	410.50	408	410	402
Mannesmann	647.50	642.50	643	638.50
Metallgesellschaft	33.80	33.45	33.45	33.70
Metro	126.80	124.90	126	122.20
Munch Rueck R	3740	3728	3725	3690
Preussag	387	379	379.50	380
RWE	68	67.40	67.40	66.70
SAP pfd	224.80	222	223.50	223.70
Schering	138.40	137	137.40	136.30
Siemens	79.18	78.70	78.92	77.80
Thyssen	298.50	296.50	298	290
Veba	91.70	91.40	91.55	91.50
VEW	491	485	485	507
Viag	652	646	647	647.50
Volkswagen	763	756	759.50	736

Helsinki — HEX General Index: 2724.76 Previous: 2691.88

	High	Low	Close	Prev.
Cultor 1	250	244	250	244.50
Enso A	38.50	38.30	38.30	38
Huhtamaki I	216.50	212	216.50	212
Kemira	55.30	55	55	54.70
Kesko	68.50	68	68.20	67.50
Merita A	16.10	15.90	16	15.80
Metra B	280	276	280	273
Metsa-Serla B	36.80	35.60	36.50	35.80
Neste	119.30	116.60	119.30	115.50
Nokia A	318	312.50	315	312.50
Orion-Yhtymae	178	176	178	175
Outokumpu A	79.20	78	78.50	78.80
Rautaruukki	46	44.50	45.30	44
Sampo Insur	404.90	390	400	387
UPM-Kymmene	99.40	97	99	97.20
Valmet	83	79.50	82.60	78.50

Hong Kong — Hang Seng: 13692.79 Previous: 13732.79

	High	Low	Close	Prev.
Amoy Props	10.65	10.35	10.45	10.60
Bk East Asia	36.80	35.70	35.80	36.20
Cathay Pacific	12	11.90	11.90	11.90
Cheung Kong	76.75	75	75	74.75
CK Infrastruct	22.80	22.05	22.40	22.45
China Light	34.10	33.50	33.50	33.70
China Ocean Ld	3.95	3.85	3.85	3.90
China Res Ent	16.50	15.90	15.90	15.65
Chin Estates	8.45	8.30	8.40	8.40
Citic Pacific	40	39.10	39.10	39.40
Cons Elec Pwr	N.T.	N.T.	N.T.	18.25
Cosco Pacific	8.55	8.35	8.50	8.55
Dao Heng Bk	41.60	40.60	40.60	41.20
First Pacific	10.95	10.70	10.85	10.60
Great Eagle	36	35.40	35.70	35.80
Guangdong Inv	7.15	6.90	6.95	7.05
Guoco Group	48.20	47.60	48	48.20
Hang Lung Dev	16.70	16.40	16.40	16.55
Hang Seng Bk	95.95	93	93	94
Henderson Inv	9.35	9.15	9.35	9.15
Henderson Ld	75.25	72.50	73.25	74.25
HKR Intl	12.65	12.15	12.35	12.40
HK China Gas	14.85	14.65	14.75	14.75
HK Electric	27.25	26.90	27	27.25
HK Shang Htls	15.10	14.65	14.70	14.75
HK Telecomm	13.50	13.25	13.45	13.40
Hopewell Hdgs	4.78	4.70	4.75	4.70
HSBC Hdgs	182.50	178	178	180.50
Hutchison Wh	65.25	63.25	64.25	63.25
Hysan Dev	29.35	28.80	28.80	29.05
Johnson El Hdg	23.50	23.25	23.45	23.45
Kerry Props	19.70	19.70	19.70	19.50
Nat Mutual	7.45	7.35	7.40	7.40
New World Dev	52.25	50.25	51.25	50.50
N World Infrastr	22.70	22.20	22.20	22.40
Oriental Press	3.30	3.20	3.20	3.25
Pearl Oriental	5.65	5.40	5.65	5.35
Shanghai Indus	27.95	27.35	27.50	27.55
Shangri-La Asia	11.80	11.45	11.75	11.65
SHK Props	93.50	91.25	91.50	91.75
Shun Tak Hdgs	5.55	5.40	5.40	5.45
Sino Land Co.	9.35	9.10	9.10	9.30
Sth China Post	6.65	6.40	6.45	6.55
Swire Pac A	75.50	74	74.75	74
Tsim Sha Tsui	19.50	19.35	19.50	19.20
TV Broadcasts	34.70	33.70	33.70	34.50
Wharf Hdgs	39.30	38.20	38.20	38.50
Wheelock	23.10	22.70	22.98	24.05

Jakarta — Composite Index: 684.12 Previous: 680.88

	High	Low	Close	Prev.
Astra Intl	6375	6250	6300	6200
Bk Intl Indon	1825	1800	1800	1825
Bk Negara	1625	1525	1575	1550
Gudang Garm	12600	12000	12225	12625
Indocement	3575	3550	3575	3550
Indofood	4950	4900	4925	4800
Indosat	7125	7025	7075	7025
Sampoerna HM	14800	14400	14475	14500
Semen Gresik	7250	7200	7200	7250
Telekomunikasi	4275	4225	4250	4150

Johannesburg — All Market: 6756.86 Previous: 6738.48

	High	Low	Close	Prev.
Amalgamtd Bks	26.50	25.40	26.50	25.40
AngloAm Coal	324.25	321	321	320
AngloAm Corp	260.50	257.75	259.50	257.50
AngloAm Gold	333	326	326.50	335
AngloAm Ind	173	169.50	172	169.25
Barlow	47.95	47.50	47.60	47.60
C.G. Smith	25.10	24.75	24.80	24.90
De Beers	137.25	134.25	137	135.50
Driefontein	43.15	42	42.80	43.15
Fst Natl Bk	26.50	25.10	26.30	25
Gencor	19.35	18.95	19.15	18.80
GFSA	115	110	110	115.50
Iscor	3.71	3.65	3.68	3.63
Liberty Hdgs	324	320	320	324
Liberty Life	119.75	117	119	118.25
Minorco	105.25	104.25	104.75	104
Nampak	18.10	17.70	18	17.55
Nedcor	69.50	68.75	69	68.75
Rembrandt Gp	43	42	43	41.70
Richemont	65.75	64.75	65.50	64.75
Rust Platinum	58	56.50	56.50	58
SA Breweries	126.75	124.75	124.75	125.50
Samancor	50.25	50.25	50.25	50.25
Sasol	56	55.50	56	55.50
SBIC	183.50	182	183	182.50
Tiger Oats	67.75	67	67	67

Kuala Lumpur — Composite: 1232.47 Previous: 1228.63

	High	Low	Close	Prev.
Genting	17.30	16.30	17.10	16.40
Mal Banking	27	26.25	26.75	26.25
Mal Intl Ship F	6.80	6.50	6.75	6.55
Petronas Gas	9.85	9.60	9.65	9.85
Renong	4.52	4.42	4.42	4.44
Resorts World	12.50	11.80	12.50	11.90
Sime Darby	9.80	9.45	9.45	9.45
Telekom Mal	20.50	20.10	20.40	20.10
Tenaga	12.80	12.60	12.60	12.80
Utd Engineers	23	22.50	23	22.50

London — FT-SE 100: 4219.10 Previous: 4195.50

	High	Low	Close	Prev.
Abbey Natl	7.75	7.66	7.73	7.65
Allied Domecq	4.24	4.12	4.14	4.16
Anglian Water	6.18	6.11	6.14	6.05
Argos	6.30	6.20	6.28	6.22
Asda Group	1.27	1.26	1.26	1.26
Assoc Br Foods	4.85	4.80	4.83	4.83
BAA	5.19	5.11	5.15	5.17
Barclays	11.37	11.10	11.28	11.10
Bass	8.69	8.54	8.66	8.55
BAT Ind	5	4.74	4.99	4.90
Bank Scotland	3.32	3.22	3.25	3.26
Blue Circle	4.05	3.96	3.98	3.96
BOC Group	9.39	9.21	9.33	9.20
Boots	6.42	6.35	6.41	6.40
BPB Ind	3.87	3.75	3.84	3.76
Brit Aerosp	12.92	12.83	12.85	12.92
Brit Airways	5.95	5.87	5.92	5.88
Brit Gas	2.32	2.26	2.27	2.28
Brit Land	5.35	5.22	5.28	5.27
Brit Petm	7.33	7.22	7.30	7.24
BSkyB	5.96	5.72	5.76	5.72
Brit Steel	1.50	1.47	1.50	1.47
Brit Telecom	4.33	4	4.21	4.22
BTR	2.63	2.54	2.60	2.56
Burmah Castrol	10.35	10.10	10.20	10.33
Burton Gp	1.63	1.60	1.61	1.60
Cable Wireless	4.97	4.86	4.87	4.89
Cadbury Schw	4.98	4.79	4.95	4.89
Carlton Comm	5.16	4.97	4.97	5.13
Coml Union	7.20	6.97	7	7.16
Compass Gp	6.70	6.53	6.58	6.68
Courtaulds	3.83	3.80	3.81	3.81
Dixons	5.16	5.05	5.07	5.07
Electrocomponents	4.62	4.55	4.62	4.55
EMI Group	12.73	12.45	12.52	12.59
Enterprise Oil	6.18	6.11	6.13	6.16
Fam Colonial	1.52	1.50	1.51	1.51
Genl Accident	8.19	7.69	8	8.19
GEC	4.10	4.05	4.09	4.04
GKN	9.92	8.98	9.82	9.81
Glaxo Wellcome	10.07	9.18	9.24	9.24
Granada Gp	8.53	8.45	8.53	8.48
Grand Met	4.51	4.40	4.50	4.41
GRE	2.87	2.81	2.84	2.82
Greenalls Gp	5.77	5.68	5.76	5.71
Guinness	4.45	4.38	4.40	4.40
GUS	6.27	6.15	6.25	6.19
Hanson	0.95	0.92	0.93	0.92
Hays	5.64	5.56	5.63	5.57
HSBC Hldgs	14.10	13.92	14.09	14.04
ICI	7.39	7.25	7.32	7.39
Impl Tobacco	3.88	3.84	3.84	3.87
Kingfisher	6.78	6.61	6.61	6.62
Ladbroke	2.39	2.34	2.35	2.39
Land Sec	7.84	7.71	7.81	7.66
Lasmo	2.45	2.40	2.42	2.41
Legal Genl Grp	3.90	3.73	3.83	3.87
Lloyds TSB Gp	4.68	2.76	4.65	4.59
LucasVarity	2.24	2.14	2.14	2.20
Marks Spencer	4.96	4.84	4.89	4.93
MEPC	4.66	4.54	4.62	4.54
Mercury Asset	12.88	12.57	12.72	12.55
National Grid	2.15	2.07	2.14	2.05
Natl Power	5.27	5.03	5.18	5
NatWest	7.94	7.76	7.80	7.87
Next	5.71	5.57	5.59	5.69
Orange	2.07	1.98	2.06	1.97
P&O	6.23	6.17	6.21	6.18
Pearson	7.60	7.43	7.56	7.43
Pilkington	1.45	1.40	1.45	1.43
PowerGen	6.47	6.17	6.46	6.16
Premier Farnell	6.97	6.93	6.95	6.93
Prudential	5.39	5.22	5.29	5.37
Railtrack PP	3.93	3.83	3.90	3.85
Rank Group	4.20	4.16	4.15	4.18
Reckitt Coln	7.84	6.98	6.99	7
Redland	3.90	3.30	3.38	3.38
Reed Intl	10.57	10.43	10.45	10.45
Rentokil Initial	4.37	4.31	4.37	4.31
Reuters Hdgs	6.92	6.75	6.84	6.77
Rexam	3.42	3.35	3.35	3.42
RMC Group	9.50	9.30	9.37	9.40
Rolls Royce	2.49	2.44	2.44	2.42
Royal Bk Scot	6.06	5.73	5.83	5.79
RTZ reg	9.23	9.12	9.15	9.19
Royal & Sun All	4.85	4.75	4.80	4.79
Safeway	4.12	4.09	4.11	4.10
Sainsbury	3.90	3.86	3.86	3.87
Schroders	16.45	16.25	16.38	16.30
Scot Newcastle	6.85	6.78	6.79	6.79
Scot Power	3.66	3.58	3.64	3.58
Securicor	2.87	2.80	2.87	2.77
Severn Trent	7.88	6.90	7.03	6.86
Shell Transp R	10.48	10.36	10.44	10.37
Siebe	9.91	9.83	9.83	9.88
Smith Nephew	1.83	1.81	1.81	1.81
SmithKline	8.45	8.22	8.44	8.15
Smiths Ind	7.57	7.47	7.55	7.49
Sthern Elec	7.90	7.80	7.80	7.81
Stagecoach	8.03	7.94	8	8
Stand Charter	7.47	7.30	7.33	7.42
Tate & Lyle	4.66	4.49	4.52	4.67
Tesco	3.71	3.66	3.70	3.67
Thames Water	6.55	6.27	6.55	6.24
3i Group	5.33	5.24	5.27	5.27
TI Group	5.42	5.32	5.32	5.39
Tomkins	2.93	2.81	2.88	2.84
Unilever	13.79	13.52	13.53	13.68
Utd Assurance	5.20	5.13	5.17	5.21
Utd News	7.08	6.89	7.02	6.90
Utd Utilities	6.83	6.70	6.83	6.64
Vendome Lx uts	5.85	4.95	4.95	5.07
Vodafone	2.77	2.64	2.77	2.61
Whitbread	7.88	7.77	7.85	7.77
Williams Hdgs	3.32	3.25	3.28	3.27
Wolseley	4.87	4.75	4.77	4.81
WPP Group	2.50	2.44	2.48	2.45
Zeneca	16.85	16.43	16.73	16.36

Madrid — Bolsa index: 475.81 Previous: 471.68

	High	Low	Close	Prev.
Acerinox	18210	17300	17540	18030
ACESA	1860	1815	1835	1830
Aguas Barcelon	6220	5950	5960	6180
Argentaria	5860	5750	5800	5760
BBV	8050	7880	7880	7950
Banesto	1195	1155	1170	1160
Bankinter	20000	19500	19520	19750
Bco Central Hisp	3460	3380	3390	3440
Bco Exterior	2750	2730	2730	2730
Bco Popular	27990	27410	27460	27490
Bco Santander	8640	8430	8450	8430
CEPSA	4790	4650	4660	4730
Continente	2700	2650	2655	2665
Corp Mapfre	8820	8570	8600	8800
Endesa	10350	9980	10050	10220
FECSA	1410	1340	1350	1370
Gas Natural	34100	32500	32800	33770
Iberdrola	1730	1670	1675	1705
Pryca	2760	2645	2645	2690
Repsol	5980	5920	5950	5930
Sevillana Elec	1450	1400	1400	1440
Tabacalera	6350	6150	6200	6320
Telefonica	3425	3360	3370	3395
Union Fenosa	1265	1230	1240	1255
Valenc Cement	1455	1415	1445	1450

Manila — PSE Index: 2275.83 Previous: 2279.23

	High	Low	Close	Prev.
Ayala B	28.50	28	28.50	28.50
Ayala Land	31.50	31	31	31.50
Bk Philip Isl	170	169	170	170
C&P Homes	14.75	14.25	14.50	14.50
Manila Elec A	128	125	125	129
Metro Bank	680	670	675	675
Petron	9.80	9.60	9.70	9.70
PCIBank	340	337.50	340	340
Phil Long Dist	1555	1520	1555	1510
San Miguel B	107	104	104	105
SM Prime Hdg	7.30	7.20	7.30	7.20

Mexico — Bolsa Index: 3707.98 Previous: 3717.34

	High	Low	Close	Prev.
Alfa A	42.40	41.85	42.00	42.30
Banacci B	16.98	16.80	16.84	17.08
Cemex CPO	29.60	29.20	29.60	29.60
Cifra C	11.00	10.72	11.00	10.92
Emp Moderna	42.10	41.50	41.65	42.50
Gpo Carso A1	49.40	48.80	49.20	49.40
Gpo Fin Inburso	28.20	26.90	27.85	27.00
Kimb Clark Mex	171.50	170.30	170.50	172.00
Televisa CPO	106.80	105.80	105.80	106.50
TelMex L	14.84	14.72	14.72	14.84

Milan — MIB Telematico: 12431.00 Previous: 12223.00

	High	Low	Close	Prev.
Alleanza Assic	12390	11950	12135	12000
Bca Comm Ital	3220	3150	3205	3110
Bca Fideuram	4270	4055	4170	4165
Bca di Roma	1281	1265	1275	1245
Benetton	20900	20550	20800	20400
Credito Italiano	2165	2060	2150	2045
Edison	10835	10500	10620	10605
ENI	9385	9150	9280	9085
Fiat	5205	5090	5170	5080
Generali Assic	32100	31400	32100	31050
IMI	16700	16280	16620	15900
INA	2215	2165	2210	2175
Italgas	6950	6735	6830	6705
Mediaset	7665	7450	7545	7470
Mediobanca	10790	10550	10695	10450
Montedison	1344	1312	1317	1307
Parmalat	2840	2760	2805	2750
Pirelli	3410	3355	3375	3335
RAS	15445	15100	15440	15175
Rolo Banca	16200	16100	16145	16195
S Paolo Torino	10800	10320	10755	10380
Stet	8250	7920	7930	7860
Telecom Italia	4925	4675	4745	4750
TIM	5010	4780	4835	4895

Montreal — Industrials Index: 2913.80 Previous: 2889.55

	High	Low	Close	Prev.
Bca Mob Com	43	42¾	43	42.95
Cdn Tire A	22½	22	22.15	22.70
Cdn Util A	32.45	32¼	32.45	32.35
CT Finl Svc	31¾	31½	31¾	32
Gaz Metro	17	16.85	16.85	17
Gt-West Lifeco	20.80	20½	20.80	20.90
Hees Intl Bcp	0000	0000	0000	0000
Imasco	35.15	34.80	35.05	35.10
Investors Grp	26	26	26	26
Loblaw Cos	16¼	15.80	16	15½
Natl Bk Canada	13.90	13.40	13.90	13.70
Power Corp	28.70	28½	28¼	28½
Power Finl	27	25½	25½	27
Quebecor B	26¼	25.90	26.15	26.05
Rogers Comm B	9.45	9.30	9.45	9½
Royal Bk Cda	50.30	49.70	50.30	50.10

Oslo — OBX Index: 572.71 Previous: 569.76

	High	Low	Close	Prev.
Aker A	164	159	163	157.50
Bergesen Dy A	149.50	147	147	148
Christiania Bk	22.90	22.70	22.80	22.40
Den norske Bk	26.40	26	26.20	26.10
Elkem	104.50	101.50	102	101.50
Hafslund A	48.30	48	48.20	47.80
Kvaerner Asa	310	303	303	305
Norsk Hydro	369.50	367.50	367.50	366.50
Norske Skog A	198.50	193	193	197
Nycomed A	113	109	109	111.50
Orkla Asa A	530	524	525	519
Petroleum GeoSvc	279	273	276	270
Saga Petm A	129	126	126.50	124
Schibsted	136	133	135	133
Transocean Off	437	435	435	440
Storebrand Asa	35.60	34.90	35	35.20

Paris — CAC-40: 2442.46 Previous: 2409.88

	High	Low	Close	Prev.
Accor	659	650	655	648
AGF	168.80	164.60	166	166
Air Liquide	873	862	868	870
Alcatel Alsth	474	462.20	472.60	455.90
Axa	355.80	351.10	352.60	349.40
Bancaire	664	641	643	657
BIC	863	843	850	838
BNP	214.50	202	213.90	195.80
Canal Plus	1227	1215	1221	1207
Carrefour	3339	3270	3270	3272
Casino	242.30	239.40	240	241.30
CCF	237.90	234.20	236.80	234.60
Cetelem	673	668	668	656
Christian Dior	928	915	923	907
CLF-Dexia Fran	505	497.60	502	499.80
Credit Agricole	1290	1290	1290	1270
Danone	793	783	790	791
Elf-Aquitaine	538	522	535	516
Eridania BS	850	835	836	854
Eurotunnel	8.10	7.75	7.90	7.80
Gen. Eaux	708	699	702	700
Havas	397.80	391	394.60	387
Imetal	802	772	796	767
Lafarge	327	321.10	326.50	318.70
Legrand	915	896	897	904
L'Oreal	1990	1962	1981	1954
LVMH	1506	1475	1493	1484
Lyon. Eaux	528	514	515	523
Michelin B	294	290.30	291	290.80
Paribas A	376	370	372	372
Pernod Ricard	313	305.10	307.10	310
Peugeot Cit	557	546	553	551
Pinault-Print	2405	2359	2372	2335
Promodes	1503	1467	1496	1489
Renault	117.70	113	113.30	115.20
Rexel	1705	1691	1700	1667
Rh-Poulenc A	179.90	174.50	177.40	174.50
Roussel-Uclaf	1528	1527	1527	1528
Sanofi	545	532	537	530
Schneider	260.30	250.30	258.90	247.40
SEB	1127	1100	1117	1101
SGS Thomson	422	375	379.40	431
Ste Generale	570	555	567	551
Sodexho	2724	2643	2659	2675
St Gobain	807	789	796	792
Suez	231.50	227	228.20	224.60
Synthelabo	550	536	539	533
Thomson CSF	172.50	169.30	171.50	170
Total B	466	458.10	465	451
UAP	140.20	138.20	138.40	138.30
Usinor	75.25	73.05	73.50	75.15
Valeo	361.70	357.20	360	361.80

São Paulo — Bovespa Index: 78175.00 Previous: 79049.10

	High	Low	Close	Prev.
Bradesco Pfd	8.75	8.38	8.45	8.75
Brahma Pfd	634.00	632.00	633.00	635.00
Cemig Pfd	43.50	42.99	43.10	43.20
CESP Pfd	51.00	50.20	50.65	50.60
Copel	13.90	13.70	13.75	13.80
Eletrobras	425.00	419.80	422.00	423.00
Itaubanco Pfd	457.00	453.50	457.00	453.00
Light Servicios	371.00	365.00	370.00	371.50
Lightpar	290.00	283.00	285.00	289.50
Petrobras Pfd	195.00	185.00	188.00	193.50
Telebras Pfd	91.20	89.00	89.40	90.70
Telemig	151.00	141.50	150.50	141.50
Telerj	155.00	147.00	151.00	153.00
Telesp Pfd	251.00	244.00	245.00	249.50
Unibanco	33.90	33.00	33.90	33.06
CVRD Pfd	24.60	24.00	24.25	24.65

Seoul — Composite Index: 678.94 Previous: 690.54

	High	Low	Close	Prev.
Dacom	100000	97000	100000	100000
Daewoo Heavy	5300	5250	5250	5350
Kia Motors	16000	15400	15700	15700
Korea El Pwr	27800	26100	26600	28300
Korea Exch Bk	8980	8660	8760	8850
Korea Mob Tel	498000	485000	486000	500000
LG Semicon	19500	19300	19400	20000
Pohang Iron St	41600	40800	40800	41800
Samsung Elec	45300	44000	44200	45500
Shinhan Bank	11600	11200	11500	11400

Singapore — Straits Times: 2248.01 Previous: 2250.79

	High	Low	Close	Prev.
Cerebos Pac	10.60	10.40	10.40	10.60
City Devts	14.20	13.90	14	13.90
Cycle Carriage	17.10	16	16.40	16.90
Dairy Farm Intl *	0.82	0.81	0.81	0.82
DBS	9.10	9.05	9.10	9.05
DBS Land	5.80	5.65	5.70	5.65
Fraser & Neave	13.90	13.60	13.60	13.90
HK Land *	2.99	2.94	2.95	2.98
Hong Leong Fin	3.28	3.26	3.26	3.24
Jard Matheson *	6.15	6.05	6.05	6.20
Jard Strategic *	3.58	3.50	3.50	3.56
Keppel	11.20	10.90	11	11.10
Natsteel	3.50	3.46	3.48	3.48
Neptune Orient	1.23	1.21	1.21	1.20
OCBC foreign	19	18.60	18.80	18.70
OSea Union Bk	6.40	6.35	6.35	6.35
Sembawang	8	7.85	7.95	7.90
Sing Airlines F	13.50	13.10	13.50	13.30
Sing Petm	1.75	1.73	1.73	1.75
Sing Press F	28.50	28	28	28.50
ST Auto F	3.24	3.22	3.22	3.26
ST Ship	1.78	1.70	1.76	1.80
Sing Telecomm	3.26	3.22	3.26	3.20
Straits Steam	4.96	4.84	4.90	4.88
Utd Industrial	1.25	1.21	1.22	1.25
Utd OSea Bk F	17.10	16.70	16.90	16.60
Wing Tai Hdgs	4.50	4.40	4.40	4.38

*: in U.S. dollars.

Stockholm — SX 16 Index: 2687.55 Previous: 2652.18

	High	Low	Close	Prev.
AGA BF	107.50	106	107	105.50
ABB AF	854	841	854	838
AssiDoman F	187	183	186	185
Astra AF	330	325.50	328.50	324
Atlas Copco AF	170	166.50	168	166.50
Avesta F	76	73.50	74	75
Electrolux BF	434	419	433	415
Ericsson BF	247.50	243	245.50	243
Hennes BF	1045	1030	1032	1034
Incentive AF	511	507	509	510
Investor BF	327	320	326	317
Kinnevik BF	208	205	207.50	205
MoDo BF	205	200	202	201
Pharm/Upjohn	276	271	271	267
Sandvik BF	186	183.50	184	183
SCA BF	145.50	143.50	144	144
S-E Banken AF	70	68.50	69.50	69.50
Skandia Fors F	198.50	195	197	193.50
Skanska BF	314	300	309	304.50
SKF BF	163	159	162.50	158
SSAB BF	121	117.50	117.50	120
Stora AF	94	90	92	92.50
Sv Handles AF	189	186.50	188.50	188.50
Sydkraft AF	155	152	155	155
Trelleborg BF	110	105.50	107	108.50
Volvo BF	181	177.50	179.50	175

Sydney — All Ordinaries: 2433.50 Previous: 2430.30

	High	Low	Close	Prev.
Amcor	8.45	8.29	8.31	8.36
ANZ Bkng	7.97	7.94	7.95	7.92
BHP	18.44	18.23	18.25	18.35
Boral	3.44	3.40	3.41	3.41
Brambles Ind.	23.10	22.72	22.72	22.95
Burns Philp	2.33	2.28	2.29	2.37
CBA	12.85	12.64	12.64	12.77
CC Amatil	13.25	13.02	13.02	13
Coles Myer	5.16	5.09	5.10	5.09
Comalco	6.93	6.86	6.86	6.88
CRA Ltd	19.53	19.40	19.52	19.36
CSR	4.37	4.34	4.35	4.35
Fosters Brew	2.52	2.51	2.50	2.50
GIO Australia	3.34	3.29	3.30	3.33
Goodman Fld	1.62	1.58	1.58	1.59
ICI Australia	13.20	13	13.20	12.90
John Fairfax	2.83	2.83	2.82	2.82
Lend Lease	23.80	23.35	23.70	23.17
Mayne Nickless	8.03	7.91	7.96	7.95
MIM Hdgs	1.85	1.83	1.83	1.82
Nat Aust Bank	15.02	14.90	15.02	14.90
News Corp	6.85	6.78	6.83	6.77
North Ltd	3.98	3.90	3.95	3.97
Pacific Dunlop	3.15	3.09	3.15	3.09
Pioneer Intl	3.71	3.65	3.67	3.68
Placer Pacific	1.78	1.77	1.77	1.80
Santos	4.88	4.81	4.81	4.79
Southcorp	4.24	4.16	4.22	4.14
Wesfarmers	9.25	9.20	9.20	9.20
Wmc Mining	8.30	8.27	8.25	8.25
Westfield Trt	2.39	2.36	2.38	2.36
Westpac Bkng	7.28	7.18	7.26	7.19
Woodside Pet	9.37	9.30	9.30	9.30
Woolworths	3.12	3.10	3.11	3.10

Taipei — Stock Market Index: 7290.77 Previous: 7251.04

	High	Low	Close	Prev.
Asia Cement	51	50	50.50	50.50
Cathay Life Ins	180	176	176	176
Chang Hwa Bk	171	167	167	169
China Steel	25.80	25.50	25.60	25.60
China Trust	55	53.50	53.50	53.50
Evergreen	56.50	54.50	54.50	54
Far East Text	35	33.50	34.60	33.80
First Bank	178	174	174	175
Formosa CF	44	43	43	43.20
Hua Nan Bk	147.50	143	144	145
Hualon Teijran	25.10	24.70	24.80	24.70
ICBC	85	83.50	84	83.50
President Ent	46.90	45.50	46.20	45.30
Taiwan Cem	61.50	60	61.50	60
Tatung	53.50	53	53	53

Tokyo — Nikkei 225: 18013.88 Previous: 17358.16

	High	Low	Close	Prev.
Ajinomoto	1060	1040	1040	1020
All Nippon Air	758	745	750	742
Asahi Bank	820	799	809	795
Asahi Chem	655	631	649	629
Asahi Glass	1070	1040	1060	1050
Bk Tokyo Mitsu	1890	1840	1870	1820
Bk Yokohama	669	655	657	655
Bridgestone	2200	2130	2180	2090
Canon	2470	2420	2450	2370
Chiba Bank	760	725	760	721
Chubu Elec	2300	2270	2280	2260
Chugoku Elec	2250	2200	2210	2200
Daiei	809	795	800	789
Daiichi Kang	1360	1330	1350	1310
Daiwa Bank	517	505	515	512
Daiwa House	1380	1300	1360	1310
Daiwa Sec	1000	983	997	974
Denso	2510	2460	2480	2450
Fanuc	3580	3460	3480	3510
Fuji Bank	1390	1360	1390	1350
Fuji Photo	3520	3460	3490	3400
Fujitsu	1170	1130	1170	1100
Hitachi	1050	1020	1030	1030
Honda Motor	3240	3190	3200	3160
IBJ	1710	1680	1690	1660
IHI	500	482	497	477
Itochu	548	521	548	515
Ito-Yokado	5770	5700	5740	5710
JAL	503	491	492	495
Jusco	3600	3530	3550	3570
Kajima	744	728	735	725
Kansai Elec	2340	2310	2320	2290
Kao	1260	1220	1230	1250
Kawa Steel	303	298	299	293
KDD	7570	7500	7500	7520
Kinki Nipp Ry	720	712	713	714
Kirin Brewery	1140	1120	1130	1100
Kobe Steel	218	213	217	211
Komatsu	860	848	856	848
Kubota	539	518	525	506
Kyocera	7220	7160	7220	7160
Kyushu Elec	2270	2240	2270	2230
LTCB	524	513	524	508
Marubeni	458	450	457	448
Marui	1740	1680	1740	1720
Matsu Elec Ind	1740	1710	1720	1690
Matsu Elec Wk	1040	1000	1020	992
Mitsubishi	1100	1060	1080	1040
Mitsubishi Ch	365	345	357	343
Mitsubishi El	669	648	661	638
Mitsubishi Est	1210	1170	1190	1150
Mitsubishi Hvy	871	853	869	847
Mitsubishi Mat	899	886	891	883
Mitsubishi Tr	1390	1310	1380	1290
Mitsui	880	867	879	859
Mitsui Fudosn	1110	1080	1100	1070
Mitsui Trust	769	743	769	739
Murata Mfg	3840	3840	3840	3840
NEC	1420	1390	1410	1380
Nikko Sec	808	781	793	767
Nintendo	7600	7480	7480	7530
Nipp Credit Bk	247	240	247	245
Nipp Express	716	706	711	700
Nippon Oil	571	563	565	568
Nippon Paper	562	545	550	536
Nippon Steel	303	297	303	291
Nippon Yusen	505	495	504	496
Nissan Motor	701	689	697	688
NKK	249	243	244	240
Nomura Sec	1590	1560	1580	1540
NTT	8550a	8440a	8480a	8330a
Obayashi	716	686	700	676
Odakyu El Ry	630	623	629	622
Ono Pharm	3470	3300	3440	3320
Osaka Gas	299	290	297	293
Ricoh	1350	1310	1330	1290
Sakura Bk	719	702	716	690
Sankyo	3200	3120	3200	3090
Sanwa Bank	1480	1430	1470	1410
Sanyo Elec	457	437	450	426
Secom	6640	6560	6600	6550
Seibu Rwy	4250	4030	4200	4000
Sekisui House	1110	1090	1100	1090
Seven-Eleven	6890	6800	6880	6740
Sharp	1460	1430	1450	1420
Shimizu	750	728	740	730
Shin-etsu Ch	2160	2120	2150	2110
Shizuoka Bk	1120	1090	1100	1090
Sony	7730	7670	7710	7600
Sumitomo	924	910	912	900
Sumitomo Bk	1430	1390	1410	1360
Sumit Chem	421	415	419	418
Sumitomo Elec	1610	1590	1600	1590
Sumit Metal	270	257	266	255
Sumit Trust	946	885	945	882
Taisei	534	506	533	510
Taisho Pharm	2720	2630	2700	2630
Takeda Chem	2320	2260	2300	2240
TDK	7490	7420	7480	7340
Tohoku El Pwr	2250	2220	2230	2220
Tokai Bank	969	955	966	950
Tokio Marine	1030	1010	1020	1000
Tokyo El Pwr	2480	2440	2460	2440
Tokyo Gas	305	298	304	296
Tokyu	560	541	557	535
Tonen	1210	1150	1200	1140
Toppan Print	1370	1340	1350	1310
Toray Ind	705	685	693	670
Toshiba	710	696	708	691
Toyo Seikan	3000	2740	2940	2730
Toyo Trust	810	800	810	807
Toyota Motor	3260	3200	3230	3200
Yamaichi Sec	485	473	479	473
Yamanouchi	2250	2220	2240	2210
Yasuda Fire	534	518	522	513
Yasuda Trust	400	389	400	390

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Toronto — TSE Industrials: 6058.67 Previous: 6075.98

	High	Low	Close	Prev.
Abitibi Price	22.35	21.90	21.90	22.10
Alberta Energy	33	32.85	32.90	32.95
Alcan Alum	48⅛	47	47½	48½
Anderson Expl	19.15	18.40	18.65	19
Bk Montreal	45.65	44.85	45.65	45¼
Bk Nova Scotia	46.65	46	46.65	46.40
Barrick Gold	35.95	35.45	35.55	36.15
BCE	67.55	66.85	67.20	67.55
BC Telecomm	29.80	29½	29.65	29¾
Biochem Pharm	71¾	68.60	71.45	71.45
Bombardier B	25.05	24.45	24.85	24.55
Brascan A	30.90	30½	30.80	30.90
Bre-x Minerals	22.85	21¾	22.65	22.60
Cameco	58.80	58.35	58.35	58.95
CIBC	58.60	58.15	58½	58½
Cdn Natl Rail	53⅛	52½	53	52
Cdn Natl Res	39.10	37½	37.80	39.10
Cdn Occid Pet	25.35	24.70	24.80	25.30
Cdn Pacific	36	35.40	35.60	35.45
Cominco	39	37.65	38	39
Dofasco	25.35	25.10	25.35	25.15
Domtar	12.30	12.15	12.15	12.30
Donohue A	24.90	24.60	24.70	24.60
Du Pont Cda A	31⅛	31.30	31⅛	31⅛
EuroNev Mng	36.20	35.40	36.20	36.85
Fairfax Finl	298	295	298	296
Falconbridge	30.80	30.20	30.40	30.80
Fletcher Chall A	22.20	22.05	22.20	22.05
Franco Nevada	59.55	58.60	59½	59
Gulf Cda Res	11.40	11.10	11.15	11.40
Imperial Oil	64.45	63⅛	63.85	64.15
Inco	46.20	45.40	45.60	45.70
IPL Energy	40.10	39.90	39.90	40
Laidlaw B	18.20	18.05	18.15	18.15
Loewen Group	49.30	48.30	48.30	49
Macmill Bldl	18.45	18.20	18¼	18.35
Magna Intl A	76	75	75.15	75½
Methanex	13.35	13.20	13.30	13⅛
Moore	28¼	28	28.10	28.10
Newbridge Net	45.95	44.55	45.70	45½
Noranda Inc	32½	31.90	31.95	32.30
Norcen Energy	33¼	33.20	33.30	33.40
Nthern Telecom	95.55	93	95½	93.80
Nova	12.85	12.70	12¾	12.80
Onex	23.10	22.95	23	23
Pancdn Petlm	55¼	54⅛	54⅛	55¼
Petro Cda	21.60	20¾	20.80	21½
Placer Dome	28.10	27.45	27.60	28.30
Poco Petlm	14.10	13½	13½	14.15
Potash Sask	116	113.90	114	115.40
Renaissance	47½	46	46.30	47¼
Rio Algom	32.45	32.20	32.30	32¼
Rogers Cantel B	29	28¼	28.90	28.80
Seagram Co	55.40	54.40	54¾	55.45
Shell Cda A	54.35	53.80	53.95	54.35
Stone Consold	20½	19¾	20	20½
Suncor	64.05	61.90	61.90	60.70
Talisman Eny	47½	45½	45.95	47¼
Teck B	32¼	31.85	32.15	32
Teleglobe	39.90	37½	38¼	39.90
Telus	20¼	20	20.10	19.95
Thomson	29.20	28.05	29	28.20
TorDom Bank	36.70	36.40	36.60	36½
Transalta	16.40	16.20	16.35	16.35
TransCda Pipe	24.35	23.95	24¼	24.05
Trimark Finl	44¼	43¾	44¼	42.85
Trizec Hahn	30.10	29.40	30	29.65
TVX Gold	10.05	9.80	9.90	10.05
Westcoast Eny	23.80	23½	23½	23½
Weston	75	73½	75	74½

Vienna — ATX Index: 1180.30 Previous: 1175.71

	High	Low	Close	Prev.
Aust Airlines	1760	1760	1760	1724
Brau-Un Goess	673.50	665	672	670
Bund Vers Pfd	404	404	404	404
Creditanst Pfd	433.90	427.50	429.90	431
EA-Generali	3247	3180	3180	3170
EVN	1760	1737	1752	1738.50
Interunfall	N.T.	N.T.	N.T.	1475
Lenzing	619	600	615	600
Leykam	270.95	261	270.95	265
Mayr-Melnhof	571	567	570	570
OMV	1370	1355	1361.50	1367
Oest Brau	804	790	800	795
Oest Elektriz	840	830	839.80	829.50
VA Tech	1755	1712	1718	1720
Wienerberger	2205	2190	2190	2185

Wellington — NZSE-40 Index: 2427.21 Previous: 2432.51

	High	Low	Close	Prev.
Air N Zeald B	2.79	2.75	2.76	2.79
Brierly Invt	1.38	1.36	1.37	1.38
Carter Holt ord	3.39	3.36	3.37	3.39
Fernz	5.12	5.12	5.12	5.15
Fisher Paykel	5.56	5.49	5.49	5.50
FC Forest	2.31	2.27	2.30	2.30
Goodman Fder	1.75	1.75	1.75	1.75
Indep News	6.95	6.94	6.95	6.95
Lion Nathan	3.60	3.58	3.59	3.60
Nat Gas note	2.43	2.40	2.42	2.40
NZ Refining	29.70	29.70	29.70	29.70
Telecom NZ	7.55	7.50	7.54	7.52
Wilson Horton	11.45	11.45	11.45	11.40

Zurich — SPI Index: 2638.67 Previous: 2581.59

	High	Low	Close	Prev.
Adecco B	380	370.50	374.50	370
Alusuisse R	1135	1121	1126	1107
Ares-Serono B	1510	1475	1510	1499
Baloise Hdg R	2860	2790	2860	2795
ABB B	1744	1721	1739	1700
BK Vision	740	726	740	725
Bobst B	1890	1840	1880	1890
CS Holdings R	140.25	139	140.25	137.75
Elektrowatt B	540	535	538	536
Fischer B	1501	1489	1490	1494
Hilti PC	925	922	922	925
Holderbank B	1030	1014	1025	1009
Jul. Baer Hdg B	1420	1405	1420	1405
Nestle R	1491	1477	1486	1475
Novartis R	1570	1551	1570	1546
Oerlikon R	146	143.50	145.50	141.75
Pargesa Hld B	1490	1470	1490	1485
PharmVisn B	670	637	668	633
Pirelli B	210	203	210	204
Roche Hdg PC	12500	11195	11935	11170
SBC R	250	248.50	249	247.50
Schindler B	1537	1525	1529	1525
SGS B	3265	3220	3225	3200
SMH B	950	928	950	920
Sulzer R	1009	960	978	982
Swiss Reins R	1386	1362	1375	1361
Swissair R	1270	1210	1251	1195
UBS B	1180	1146	1152	1155
Valora Hdg R	279.50	266.50	268	275
Winterthur R	815	799	806	793
Zurich Assur R	380	374	378.50	373

The Trib Index

Closing prices.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	151.73	+0.52	+0.34	+15.06
Regional Indexes				
Asia/Pacific	115.11	+0.87	+0.76	−14.26
Europe	160.41	+0.21	+0.13	+15.25
N. America	175.36	+1.15	+0.66	+36.70
S. America	127.61	-1.73	−1.34	+43.32
Industrial Indexes				
Capital goods	181.00	+0.32	+0.18	+36.21
Consumer goods	166.32	+1.38	+0.84	+20.46
Energy	178.13	+0.80	+0.45	+31.34
Finance	111.80	+0.94	+0.85	−12.13
Miscellaneous	168.54	+0.15	+0.09	+24.10
Raw Materials	177.67	-0.47	−0.26	+25.30
Service	138.86	-0.98	−0.70	+15.72
Utilities	144.63	-1.24	−0.85	+13.76

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

NYSE

Wednesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

FOR INVESTMENT INFORMATION

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THE MONEY REPORT

every Saturday

in the IHT.

Herald Tribune INTERNATIONAL

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

THE WORLD'S DAILY NEWSPAPER

Continued on Page 16

ASIA/PACIFIC

Stocks Try A Rebound In Tokyo

Plan to End a Tax Helps Start a Rally

Bloomberg News

TOKYO — Stock prices rose Wednesday for the first time in four days as investors welcomed a proposal to scrap a tax on the sale of securities as a sign the governing party was serious about deregulating the financial industry.

"This is seen as a sign that financial reform is starting to move forward," said Shingo Sakiue, head of equity strategy at Wako Securities Co.

The benchmark Nikkei 225 stock average rose 655.72 points, or 3.78 percent, to 18,013.88. The broader market also rose, with the Topix index of all shares on the first section of the Tokyo Stock Exchange gaining 29.30, or 2.17 percent, to 1,378.62.

Buying by domestic pension funds buoyed shares in the morning, traders said, and the market held its gains in the afternoon.

Fuji Photo Film Co., Sony Corp. and Canon Inc. led the advance, with Fuji rising 70 yen (60 cents) to 1,170 yen, Sony advancing 110 to 7,710 and Canon up 80 at 2,450. Financial issues also advanced. Sumitomo Bank Ltd. rose 50 to 1,410, and Nomura Securities Co. gained 40 to 1,580.

An official of the Liberal Democratic Party said it was considering scrapping a tax on the sale of stocks as part of a package of financial-market reform proposals. The government currently imposes taxes of 0.12 percent on sales of equities by brokerage concerns and 0.21 percent on sales by other investors. In an interview published Wednesday, a member of a committee studying deregulation said the tax should be abolished.

"To implement fundamental reforms of the financial system, we need to bring the tax system in line with international standards," Sohei Miyashita, deputy chairman of the Liberal Democratic Party's tax research committee, told the Mainichi Shimbun.

Yoshihiko Kubota, managing director at Nikko International Capital Management Co., said of the proposal, "The total sum involved isn't that great, but it means the Japanese market will be connecting with the global market."

'Red-Chip' Shares Recruit Investors

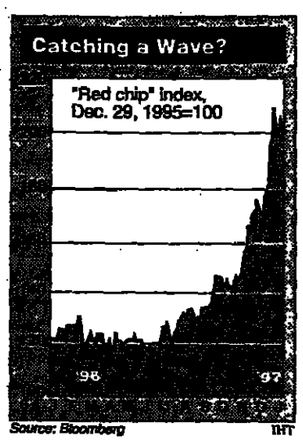
Bloomberg News

HONG KONG — Investors: China's People's Liberation Army needs you!

That, at least, was the message that Continental Mariner Investment Co., controlled by the Chinese army, sent this week when it raised the equivalent of about $40 million by selling stock in its second fund-raising exercise in two weeks.

The moves came amid speculation that Continental's parent companies would sell it bargain-priced assets in China, where state-owned companies and government ministries have been selling assets for less than market value to their so-called red-chip Hong Kong subsidiaries, helping drive up share prices.

Continental's shares have nearly doubled this month amid speculation that its parents will be generous. The stock closed at 4.275 Hong Kong dollars Wednesday, down 5 cents. Buying into most companies controlled by Beijing "is a leap of faith," said Jing Ulrich, head of China research at Credit Lyonnais Securities Asia Ltd., "but you have to be in early — that's where the opportunity lies." Hong Kong already has half a dozen major Chinese investment companies. Stocks such as CITIC Pacific Ltd. and Guangdong Investment Ltd. were the hottest issues in town last year as their parent companies sold them ports, pig farms and other assets at bargain-basement prices.



China International Trust & Investment Corp., Beijing's biggest investment arm, established CITIC Pacific six years ago when it bought a nearly bankrupt listed local company. CITIC Pacific is now the 10th-largest company in the Hang Seng Index of 33 major Hong Kong stocks. Its shares rose 70 percent last year, to 44.90 dollars. Investors have cooled in the new year, however, and CITIC Pacific's stock slipped 20 cents Wednesday, to 39.20.

Now, investors are trying to spot the "next CITIC."

Continental Mariner, officially a shipping company with a staff of just 25 in Hong Kong, has raised more than $60 million from selling shares so far this year. It plans to buy interests in roads and water-purification plants in China from local governments. It may also buy projects from the army's business division, China Poly Group. China Poly's assets include the 80-story Sky Center in Guangzhou, Shanghai's new stock-exchange building and a free-trade zone on Hainan Island — sometimes spoken of as the "next Hong Kong" but better known so far for its reputation as a base for smuggling.

"I don't want to single out the PLA, but our major shareholder China Poly is doing everything to help us," Oliver Lam, corporate secretary for Continental Mariner, said.

Continental Mariner's chairman is Wang Jun, son of China's late president Wang Zhen and the chairman of both China Poly and China International Trust & Investment Corp.

There has been speculation that he now favors Continental Mariner because of a dispute between his family and that of CITIC Pacific's chairman, Larry Yung, son of China's vice president, Rong Yiren. But all of this speculation tends to stop many big investors from doing anything more than dabbling in the stock.

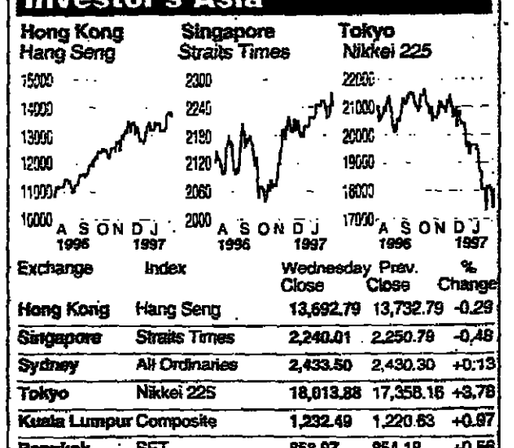
"It has a very strong and powerful parent," said Sam Lau, who manages $300 million of regional funds for Invesco Asia Ltd. "But we only took a little bit of the stock. We don't know a lot about the company."

Amid the lack of information about the companies, high expectations and rumors have driven their shares up to unprecedented heights in recent weeks. But many investors remember 1993, when a score of Chinese companies bought up dormant Hong Kong-listed companies. Shares in the companies soared for a while, only to collapse when China launched a three-year anti-inflation campaign that is just starting to wind down.

"Now things are going well in China, they see the opportunity to grow," said Nerissa Lee, who manages the $100 million China Fund for Guinness Flight Asia Ltd.

"These stocks are flavor of the day," Andy Mantel, a fund manager with Shanghai Growth Investment Ltd., said. "A good way to value them is to look at the portfolio of the parent. But that's not so easy."

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,692.79	13,732.79	-0.29
Singapore	Straits Times	2,240.01	2,250.79	-0.48
Sydney	All Ordinaries	2,433.50	2,430.30	+0.13
Tokyo	Nikkei 225	18,013.88	17,358.16	+3.78
Kuala Lumpur	Composite	1,232.49	1,220.63	+0.97
Bangkok	SET	858.97	854.18	+0.56
Seoul	Composite Index	678.94	690.54	-1.68
Taipei	Stock Market Index	7,290.77	7,251.04	+0.55
Manila	PSE	3,275.83	3,279.23	-0.10
Jakarta	Composite Index	586.12	580.88	+0.77
Wellington	NZSE-40	2,427.21	2,432.51	-0.22
Bombay	Sensitive Index	3,427.69	3,382.74	+1.31

Source: Telekurs International Herald Tribune

Very briefly:

• **China** produced 100.4 million metric tons (110.4 million tons) of steel in 1996, up 5.2 percent from 1995, making it the world's largest producer of crude steel, overtaking the long-time leader Japan for the first time.

• **Ford Motor Co.** plans to invest $40 million to lift its stake in **Jiangling Motors Co.** to 33 percent from 20 percent.

• **Allied Domecq PLC** is selling 3,000 cases of wine made by Vietnam's **Thien Thai** winery, said to be the first wine made in the country since French colonial days.

• **Bangkok Bank of Commerce PLC** posted a net loss of 2.8 billion baht ($108.9 million) for 1996, reversing a net profit of 860 million baht for 1995.

• **Duff & Phelps Corp.** added the **Philippines** to a roster of candidates it was considering for credit-rating upgrades, changing its outlook to "positive" from "stable."

• **Indonesia** will raise the minimum wage by an average of about 10 percent April 1, with wages in Jakarta rising the most, to 172,500 rupiah ($72.77) a month. *Reuters, Bloomberg, AFP*

MICROSOFT: *Looking for Internet Talent in New York*

Continued from Page 11

"What their problem is in the community now is that they ask for a lot of stuff — they want to own all the rights and don't want to pay necessarily for the right of ownership, and thus the deal they've been laying on the table isn't worth it."

Microsoft's position is that because no one yet has figured how to make money from Web-based news and entertainment, the company must own on-line rights to justify its investment.

"I know a lot of people have had trouble with this," Ms. Stein said. "Talking to artists about owning their baby is a hard thing. What I've said is, 'Don't bring me your baby. Bring me something else.' "

Timothy Nye, the founder of the Sunshine Interactive Network, which is producing "Vanishing Point," a nonfiction on-line documentary for Microsoft that is the creation of Mr. Hulme and Mr. Wexler, the "Baked Potato" authors, said that Microsoft's position is fair. "I think Microsoft compensates people they're working with extremely generously," he said, "and is buying rights that at the moment have no upside."

For all the grousing, very few Silicon Alley entrepreneurs have declined to propose projects to Microsoft. On the contrary, most seem eager to form a partnership.

In a period of turmoil in the on-line industry, with many small Web publishing ventures faced with going out of business, Microsoft's willingness to sustain big losses on Internet content is a strong vote of confidence in Silicon Alley's future.

"Microsoft is spending money, and that helps developers advance technically, advance financially and in some cases stay alive," said Jonathan Trumper, a new media agent at William Morris who has many clients in Silicon Alley.

Microsoft is anticipating the day when the market for its Windows computer operating systems is saturated, and the company is making a multibillion-dollar bet that the Internet can become a new medium similar to television or publishing.

The company's most high-profile media effort has been the year-old Microsoft Network, which has 1.6 million subscribers.

For those who have been showered in Microsoft stardust, the enthusiasm runs high. "It's huge, definitely, it's really exciting for us," said David Grossman, a partner in Rare Medium, a 15-person Web shop housed in an airy loft in the Flatiron district that got the go-ahead for an interactive game. "Microsoft has such a large stature, and yet here they are taking a folksy approach and reaching out to the young development community."

That is the bottom line all over Silicon Alley. The future of both the software giant and the homegrown upstarts may well depend on Microsoft's success.

China to Delay Cuts in Rates

Reuters

SHANGHAI — Financial authorities have scrapped a plan to pull interest rates down another notch early this year because of fears that surging fixed-asset investment in China will get out of hand, bankers and traders said Wednesday.

Domestic financial markets reacted positively to signals from Beijing late last year that another interest-rate cut was imminent. But those markets are now digesting a new message that rates are likely to remain unchanged.

A banker in Beijing said authorities feared an inflationary backlash from a resurgence in fixed-asset investment in the second half of 1996 after two earlier interest-rate cuts.

"There is the need to maintain austerity measures," the banker said. "Another bank interest-rate cut is unlikely in the short term as a result."

Confidence in Manila as Pay Rises

Bloomberg News

MANILA — A 12 percent increase in Manila's minimum wage, which raises Philippine labor costs to among the most expensive in Southeast Asia, does not threaten to undermine the fledgling economy, economists said Wednesday.

Manila's wage board on Tuesday approved a 20 peso (76 cent) increase in the minimum daily pay of workers, to 185 pesos. The rise, effective May 1, was in line with expectations. It will put the minimum wage in the Philippines at the equivalent of about $7.02 a day, compared with $4.70 in Malaysia, according to the Economist Intelligence Unit.

"Despite the increase in nominal wages, real minimum wages have been generally declining while productivity has been improving," said Luz Lorenzo, an economist with Peregrine Securities Philippines Inc.

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WORLD ROUNDUP

Ross Setford/The Associated Press

BOUNCE — England's Ronnie Irani and John Crawley, right, warming up for Friday's cricket match against New Zealand.

Asylum Sought

SOCCER Sixteen players from Ethiopia's national soccer team showed up at Rome police headquarters to ask for political asylum, Italian officials said Wednesday.

The players had disappeared Tuesday while on a stopover en route to an African Nations Cup game in Morocco on Sunday. The game has since been called off.

An official at Rome police headquarters, who spoke on condition of anonymity, would say only that the 16 men had made the asylum request. The Foreign Ministry said it had received no request for asylum. *(AP)*

Ilsen Tipped to Head Ajax

SOCCER The Danish soccer veteran Morten Olsen will replace Louis van Gaal as coach of the Dutch powerhouse Ajax, the national daily Algemeen Dagblad reported Wednesday.

The appointment is "almost a done deal," but the club is delaying the announcement until its players return from a training session in Spain, the newspaper said.

Van Gaal took over at Ajax in 1991 and guided the club to the UEFA Cup title in 1992 and the European Champions Cup title in 1995. He announced in October that he would be leaving the club at the end of the season. *(AP)*

Downhill Postponed

SKIING Fog forced cancellation of two training runs Wednesday at Cortina d'Ampezzo, Italy, causing organizers to postpone a women's World Cup downhill race from Thursday to Friday.

A giant slalom, making up for a race canceled in Morzine and originally included in the Cortina program, was skipped. The International Ski Federation did not immediately reschedule it. *(AP)*

Mattingly Retires

BASEBALL Don Mattingly, the greatest New York Yankees player never to reach the World Series, will never get that chance.

Mattingly, 35, who sat out last season when New York won the championship, formally announced his retirement Wednesday at Yankee Stadium. A six-time All-Star and a nine-time Gold Glove first baseman, Mattingly hit .307 in a 14-season career. He was the American League's Most Valuable Player in 1985. *(AP)*

Sampras Advances After 5-Set Battle

As Heat Wave Ends, American to Face Muster in Semifinal

The Associated Press

MELBOURNE — One misjudged shot cost Pete Sampras an early night Wednesday and forced him into his second consecutive five-set match.

But the heat wave in Melbourne had ended, Sampras's serves never wilted, and he has another rest day before the Australian Open semifinals.

The American dropped serve only once, and fired 23 aces as he beat the 10th-seeded Albert Costa of Spain, 6-3, 6-7 (5-7), 6-1, 3-6, 6-2, Wednesday night to move within two victories of his ninth Grand Slam title and second Australian Open trophy.

"I thought I recovered pretty well," the world's No. 1 ranked player said after beating Costa in nighttime temperatures that had cooled to the 60s. "It feels like I'm in pretty good shape. But one day off and then Thomas, which will be a war, so we'll see."

He was referring to fifth-seeded Thomas Muster, who advanced to only his second Grand Slam semifinal on any surface other than clay by capitalizing on the errors of third-seeded Goran Ivanisevic of Croatia for a 6-4, 6-2, 6-3 victory.

The lone break of Sampras came in the fourth set's eighth game, when he decided not to volley a serve return by Costa, and then watched it land deep in his backhand corner for break point.

"I misjudged it," he said. "If I could do it over again, I'd hit it."

That point ended up pushing him into an extra 30 minutes of play.

Sampras said Costa had one of the best backhands he has seen.

"On the run, I couldn't believe some of the shots he was hitting, such unbelievable racket control," Sampras said.

Costa said he was disappointed at losing.

"But I think I have to be happy now, because for me it was a really good tournament," Costa said, adding, "He served really unbelievable."

In his game against Muster, Ivanisevic hit 16 aces, but won only 28 percent of his second-serve points as he tried desperately for winners and sprayed 54 unforced errors to the Austrian's 14.

A combination of Muster's muscles and his coach's computer proved too much for Ivanisevic, still seeking his first Grand Slam tournament title.

Ivanisevic said Muster "is so fit, he gets almost everything back, so I was thinking I'd have to hit winners." He added, "I forced too many first serves and I played tactically not so smart."

Also in the semifinals, facing No. 2 Michael Chang of the United States is 25th-ranked Carlos Moya of Spain.

On the women's side, fourth-seeded Martina Hingis of Switzerland laughed off a fall from a horse during a break from tennis on Tuesday and advanced to the semifinals with a 7-5, 6-2 victory over eighth-seeded Irina Spirlea of Romania.

Hingis next meets No. 14 Mary Joe Fernandez, who won 7-5, 4-0 when the Belgian Dominique Van Roost quit in pain from an abdominal muscle injury.

The other semifinal Thursday pits 12th-seeded Amanda Coetzer of South Africa, who had defeated Steffi Graf here, against the 1995 champion Mary Pierce, unseeded after a dismal 1996.

The 16-year-old Hingis is in an especially good position to win her first Grand Slam title because the top three seeds — Graf, Arantxa Sanchez Vicario and Conchita Martinez — lost before the quarterfinals. Defending champion Monica Seles stayed away with a broken finger.

Hingis said she would not do any more riding during the Open — there wasn't time.

The fall from the horse, she said, "wasn't dangerous at all. My mom was there and she was laughing. Everybody was laughing.

"Mentally, it just helps you sometimes if you do something else and not just tennis all the time."

Hingis rebounded from early service breaks by the eighth-seeded Spirlea in both sets. Her Romanian opponent hit some impressive winners, but in the second set had 13 unforced errors to Hingis's one.

Keeping up such mastery could make Hingis the youngest winner at any Grand Slam tournament since Lottie Dod captured Wimbledon at the age of 15 in 1887.

Van Roost had upset second-seeded Sanchez Vicario and 15th-seeded Chanda Rubin in earlier rounds. But at 5-5 in the first set against Hingis, an abdominal muscle injury that had bothered her for a week, along with back and forearm pains, flared up strongly.

With her serve and overhead shots fading, Van Roost fell behind, 7-5, 1-0. The pain still worsened and she quit after losing three more games.

"I did the best that I could until the end," she said. "I had to stop. It was just too much hurting for me."

Still, there was the joy of advancing beyond her best previous Grand Slam tournament performance — reaching the fourth round of the 1992 Australian Open.

Ranked 43d in the world, Van Roost said, "I feel like I've achieved something extraordinary at this tournament."

Greg Wood/Agence France-Presse

Martina Hingis during her victory Wednesday against Irina Spirlea.

William West/Agence France-Presse

Thomas Muster returning a shot to Goran Ivanisevic in Melbourne.

Kulik Leads in Figure Skating

Reuters

PARIS — Ilya Kulik of Russia and Viacheslav Zagorodniuk of Ukraine put poor qualifying displays behind them to dominate the men's short program Wednesday at the European figure-skating championships.

Kulik, the 1995 champion, and Zagorodniuk, the champion last year, called on their experience to gain, respectively, the top two places after skating far below their best in qualifying Sunday.

Fourth and sixth in their qualifying group, both skaters performed the key element of the short program — the jump combination — superbly, each completing a difficult triple axel linked with a triple toe loop.

"Sunday was worrying because I was trying to do my best, but on another level I wasn't worried because I know I've been skating well," said Kulik, winner of the title at 17, on his senior debut two years ago.

Zagorodniuk appeared near-perfect but felt he had made some minor errors. He was satisfied, however, with his triple-triple, the vital move that ruined the chances of other skaters.

Andrei Vlascenko, formerly a Latvian competitor who now skates for Germany, produced a surprise by taking third place, and Philippe Candeloro of France was fourth.

Vlascenko produced a triple axel-triple toe loop for the first time but would not admit to being surprised by his result.

"I'm just happy with my place and happy with what I did," Vlascenko said.

Candeloro fluffed his short programs in last year's European and world championships, finishing fifth and ninth in those, and was determined to do better in front of his home fans.

He also achieved the triple-triple but had a minor problem with the subsequent triple lutz because of a foot injury.

"I felt under pressure, but I'm glad to be fourth, and now I want to be in the top three," he said.

The men's medals will be decided in the free skating Thursday night.

The Russians Alexei Yagudin and Alexei Urmanov, the Olympic champion, who missed his combination, held fifth and sixth places, followed by the Ukrainians Evgeni Pliuta and Dmitri Dmitrenko, the former champion.

Old World Needs a New Champion to Capture the Ryder Cup

International Herald Tribune

European Golf / **IAN THOMSEN**

THE European golfers' tour has turned up in Australia, which is about 10,000 miles from where any mapmaker would have thought to look. The season begins Thursday with the $1.1 million Johnnie Walker Classic at Hope Island, Queensland, where Nick Faldo hopes to start claiming a place on this autumn's European Ryder Cup team.

Faldo, the Englishman who won his sixth major title last year at the U.S. Masters, figures to play only seven international-field events this season that could earn him points toward the European 12-man team. "If I do well in the tournaments that mean the most to me, I'll make the team," Faldo said. If he doesn't qualify automatically from tournaments like the Johnnie Walker and the four majors, then Europe will have to use one of its two captain choices to include him.

When Faldo moved overseas two years ago to join the more lucrative and competitive U.S. Tour, he forced the European PGA to face up to an inevitable transition. This year Faldo and other great Europeans like Seve Ballesteros (Europe's Ryder Cup captain this year) and Bernhard Langer will turn 40; Ian Woosnam will be 39 but feeling older because of a chronic back problem. Suddenly there are no certainties about the foundation of the European team that must defend the Ryder Cup in September at Valderrama, Spain, the first time the event will be played outside the United States or Britain.

The European Tour will offer record prize money of £30 million ($50 million) this season, which isn't entirely helpful. Last year the tour realized a dozen first-time winners, but none of them suggested the charisma or dedication of Faldo or Ballesteros. Rather, their success suggested that the European Tour might be growing too quickly, providing great rewards against meager competition. Unless a couple of young Europeans make dramatic leaps, or elders like Langer and Ballesteros rediscover themselves after their poor showings last year, it would seem that European golf is about to give itself up to a generation of interchangeable, unexceptional money-winners.

The U.S. Tour was in a similar rut until Tiger Woods turned pro late last season. After nine tournaments he has won three times and is seventh on the U.S. Ryder Cup points list. He is providing America with the same healthy jolt that Ballesteros brought to Europe two decades ago.

"I think we are hurting very badly from the loss of Jose-Maria Olazabal," admitted Ken Schofield, the PGA European Tour's executive director. Foot problems have ruined the 30-year-old Spaniard's career since he won the U.S. Masters in 1994.

Europe's generational answer to Woods was expected to come from Gordon Sherry, the enormous Scot who upstaged Woods while leading Britain-Ireland to an upset victory in the amateur Walker Cup. But Sherry failed to earn his European Tour card for this year and must settle for a more patient route to the top.

The most viable hope remains Colin Montgomerie, the hefty 33-year-old Scot who this weekend begins seeking a record fifth successive European money title. In order to step up, Montgomerie must win his first major title after contending a couple of times. No one will be surprised when he does.

At this early stage, Europe's top 12 Ryder Cup candidates include no major champions. For the next couple of months the tour will wander like a ship blown off course through Australia, South Africa and Dubai before landing on the Continent on March 20 for the Portuguese Open.

There will be a lot of comparatively easy points to be won in Europe this season. In September, for the first time in decades, it might turn out that charisma and ingenuity has shifted dramatically to the side of the Americans.

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Boston	9	27	.237	18
Philadelphia	8	31	.205	20½

CENTRAL DIVISION

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Chicago	35	5	.875	—
Detroit	28	18	.737	6
Atlanta	26	12	.684	8
Charlotte	23	17	.575	12
Cleveland	22	17	.564	12½
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San Antonio	10	27	.270	19
Vancouver	8	33	.195	23

PACIFIC DIVISION

	W	L	Pct	GB
Seattle	29	11	.725	—
L.A. Lakers	29	12	.707	½
Portland	23	17	.575	6
Golden State	16	23	.410	12½
Sacramento	16	24	.400	13
Phoenix	15	25	.375	14
L.A. Clippers	14	24	.368	14

TUESDAY'S RESULTS

Minnesota	23	30	18	35—106
Toronto	30	31	27	30—118

M: Robinson 6-15 5-5 21, Garrett 8-11 4-4 20; T: Williams 12-20 2-2 32, Rogers 9-13 3-6 24, Comby 9-14 5-7 23. Rebounds—Minnesota 52 (Garrett 13), Toronto 47 (Jones 10). Assists—Minnesota 25 (Marbury 10), Toronto 32 (Stoudamire 17).

Washington	24	26	18	20— 88
Orlando	28	20	24	21— 93

W: Strickland 10-19 1-3 21, Howard 9-18 2-2 20; O: Seikaly 9-15 8-14 26, Hardaway 8-19 0-0 19. Rebounds—Washington 49 (Webber 13), Orlando 56 (Seikaly 12). Assists—Washington 24 (Strickland 8), Orlando 13 (Hardaway 4).

Atlanta	19	28	18	26—91
Miami	29	22	23	28—94

A: Smith 8-17 4-5 22, Mutombo 4-6 11-16 19; M: Hardaway 9-21 0-0 24, Lenard 6-11 1-1 19. Rebounds—Atlanta 50 (Mutombo 13), Miami 45 (Mourning 9). Assists—Atlanta 14 (Blaylock 9), Miami 24 (Hardaway 11).

Houston	28	17	33	30—108
Charlotte	30	27	27	30—114

H: Drexler 13-19 9-9 39, Olajuwon 11-28 4-4 26; C: Rice 13-25 14-16 42, Curry 8-17 3-3 23. Rebounds—Houston 35 (Olajuwon 9), Charlotte 49 (Mason 9). Assists—Houston 18 (Olajuwon, Drexler, Maloney 4), Charlotte 32 (Bogues 10).

New York	23	23	15	26—87
Chicago	33	21	20	14—88

N.Y.: Ewing 9-23 1-2 19, Childs 7-13 2-2 18; C: Jordan 18-30 10-11 51, Pippen 6-15 1-1 15. Rebounds—New York 52 (Ewing 14), Chicago 52 (Pippen 10). Assists—New York 17 (Childs 6), Chicago 23 (Pippen 9).

Indiana	23	23	28	26—92
Milwaukee	28	15	21	25—89

I: Smits 12-20 1-2 25, McKey 4-8 6-11 14, Miller 4-12 6-6 14; M: Robinson 10-19 8-8 29, Baker 7-17 8-13 22. Rebounds—Indiana 49 (Smits 9), Milwaukee 48 (Baker 14). Assists—Indiana 24 (Rose 11), Milwaukee 16 (Douglas 9).

L.A. Clippers	28	13	23	18— 82
Portland	29	22	38	19—108

L.A.: Rogers 5-16 3-6 14, Scully 3-10 7-8 13; P: Robinson 10-13 0-1 23, Sabonis 7-17 2-5 17. Rebounds—Los Angeles 60 (Vaught, Outlaw 10), Portland 55 (Robinson 9). Assists—Los Angeles 16 (Scully, Rogers 4), Portland 25 (Anderson 12).

Dallas	24	19	25	25— 93
Golden State	26	28	24	25—103

D: Jackson 8-19 4-4 22, Gatling 7-10 4-5 19; G.S.: Sprewell 16-27 8-9 46, Smith 8-13 5-5 21. Rebounds—Dallas 54 (Gatling 8), Golden State 44 (Mullin 7). Assists—Dallas 19 (Hagelton 5), Golden State 23 (Sprewell 10).

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Philadelphia	27	13	6	60	150	114
Florida	22	13	10	54	130	108
N.Y. Rangers	23	19	7	53	165	136
New Jersey	23	16	5	51	117	111
Washington	20	21	5	45	124	123
Tampa Bay	18	21	6	42	131	141
N.Y. Islanders	13	23	9	35	117	137

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Pittsburgh	26	15	5	57	171	138
Buffalo	24	17	5	53	133	122
Montreal	18	21	8	44	152	158
Hartford	18	20	7	43	131	145
Boston	16	23	6	38	131	164
Ottawa	14	21	8	36	119	128

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	25	17	4	54	133	114
Detroit	21	16	9	50	138	105
St. Louis	21	22	4	46	137	151
Phoenix	19	22	4	42	125	150
Chicago	17	23	8	42	122	129
Toronto	17	29	0	34	139	162

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	28	11	8	64	160	109
Edmonton	21	21	5	47	153	140
Vancouver	21	21	2	44	140	147
Anaheim	17	22	5	39	125	134
Calgary	17	24	5	39	114	135
Los Angeles	17	24	5	39	125	153
San Jose	16	23	5	37	113	141

TUESDAY'S RESULTS

—NHL Sums,0417; Tuesday's NHL Sums— By At P-:

Calgary	1	0	1—2
Pittsburgh	1	1	2—4

First Period: P-Lemieux 30 (Woolley) 2, C-Thor 16 (Gagner, Fleury) (pp). Second Period: P-Hatcher 11 (Francis, Woolley) (pp). Third Period: C-Gagner 13 (Iginla, Albelin) 5, P-Barnes 11, 6. *P-Francis 18 (Jagr, Johansson) (en).* Shots on goal: C- 18-13-20—51. P- 8-10-6—24. Goalies: C-Kidd. P-LeBlanc.

Edmonton	2	0	2	0—4
N.Y. Rangers	2	1	1	0—4

First Period: E-Smyth 22 (Buchberger, Weight). 2. N.Y.-Leetch 12 (Vorobiev, Beukeboom) 3, E-Smyth 23 (Mironov, Weight) (pp). 4. N.Y.-Leetch 13 (Vorobiev, Graves) (pp). Second Period: N.Y.-Vorobiev 1 (Leetch, Driver) Third Period: E-Kovalenko 22 (Arnott, Weight) (pp). 7. E-Saton 15 (Czerkawski, Amott) (pp). 8. N.Y.-Messier 26 (Vorobiev, Leetch) Overtime: None. Shots on goal: E- 12-9-14-5—40, N.Y.- 12-14-17-3—46. Goalies: E-Joseph. N.Y.-Healy.

Dallas	1	1	1	0—3
Philadelphia	1	1	1	0—3

First Period: D-Lehtinen 9, 2. P-, Hawerchuk 12 (Coffey, Nikinnaa) (pp). Second Period: P-Renberg 10 (Lindros) 4, D-Modano 17 (Lehtinen, Hogue) Third Period: *D-Hogue 10 (Nieuwendyk, Verbeek) 6, P-LeClair 28 (Coffey) Overtime:* None. Shots on goal: D-16-10-5-4-35. P- 10-13-6-8—28. Goalies: D-Moog. P-Hextall.

Colorado	0	2	0	0—2
Tampa Bay	0	0	2	1—3

First Period: None. Second Period: C-Lacroix 14 (Miller, Krupp) 2, C-Severyn 1 (Young, Gusarov) Third Period: T-Selivanov 12 (Yzerbaert, Anderson) 4, T-Gratton 17 (Dumulon, Longkow) Overtime: 5, T-Housley 2 (Yzerbaert, Selivanov) Shots on goal: C- 5-9-3-0—17. T- 16-11-14-1—42. Goalies: C-Roy. T-Tabaracci.

New Jersey	3	0	1	4
Los Angeles	0	0	1	1

First Period: N.J.-Andreychuk 15 (Holik, Sullivan) 2. N.J.-Andreychuk 16 (Holik, S.Stevens) (pp). 3. N.J.-Holik 9 (Sullivan, S.Stevens) Second Period: None. Third Period: *N.J.-Guerin 17 (Zelepukin) 5, Los Angeles, Laperriere 5 (Berg)* Shots on goal: N.J.- 16-11-8—35. L.A.- 6-13-15—34. Goalies: N.J.-Brodeur. L.A.-Fiset.

TENNIS

Australian Open

WEDNESDAY'S RESULTS

MEN'S SINGLES QUARTERFINALS

Thomas Muster (5), Austria, def. Goran Ivanisevic (3), Croatia, 6-4 6-2 6-3; Pete Sampras (1), U.S., def. Albert Costa (10), Spain, 6-3 6-7 (5-7) 6-1 3-6 6-2.

WOMEN'S SINGLES QUARTERFINALS

Mary Joe Fernandez (14), U.S., def. Dominique van Roost, Belgium, 7-5 4-0 (retired); Martina Hingis (4), Switzerland, def. Irina Spirlea (8), Romania, 7-5 6-2.

WOMEN'S DOUBLES SEMIFINALS

Lindsay Davenport (3), U.S., and Lisa Raymond (3), U.S., def. Larisa Neiland (2), Latvia, and Helena Sukova (2), Czech Republic, 7-5 6-3.

SOCCER

FOUR-NATIONS TOURNAMENT

Australia 2, South Korea 1
Norway 3, New Zealand 0

GOLF

Johnnie Walker Ryder Cup

Leading standings for the 1997 Johnnie Walker Ryder Cup to be played Sept. 26-28 at Valderrama in Sotogrande, Spain. The top 10 finishers qualify for the 12-man teams and U.S. captain Tom Kite and European captain Seve Ballesteros each have two wild-card choices:

UNITED STATES

1. Tom Lehman 682,000 points, 2. Davis Love III 525,000, 3. Mark Brooks 519,750, 4. Phil Mickelson 487,000, 5. Mark O'Meara 420,000, 6. Scott Hoch 404,280, 7. Tiger Woods 400,000, 8. Fred Couples 351,790, 9. Steve Stricker 342,500, 10. John Cook 341,000, 11. Tommy Tolles 320,000, 12. Kenny Perry 311,250, 13. Jeff Maggert 296,625, 14. Steve Jones 290,000, 15. Justin Leonard 283,500.

EUROPE

1. Colin Montgomerie, Scotland 287,696, 2. Thomas Bjorn, Denmark 189,366, 3. Costantino Rocca, Italy 170,997, 4. Darren Clarke, Northern Ireland 163,613, 5. Per-Ulrik Johansson, Sweden 140,056, 6. Miguel Angel Martin, Spain 137,661, 7. Jean Van de Velde, France 102,142, 8. Paul Broadhurst, England 95,164, 9. Sam Torrance, Scotland 88,045, 10. Miguel Angel Jimenez, Spain 85,190, 11. Peter Mitchell, England 79,218, 12. Mark Davis, England 76,309, 13. Seve Ballesteros, Spain 71,030, 14. Andrew Coltart, Scotland 67,492, 15. Roger Chapman, England 65,407.

TRANSITIONS

BASEBALL

MAJOR LEAGUE BASEBALL

AMERICAN LEAGUE

ANAHEIM—Agreed to terms with LHP Allen Watson on 1-year contract and OF Bernardo Brito on minor-league contract. Re-signed Tom Kotchman manager for Boise, NL.

BALTIMORE—Agreed to terms with RHP Terry Mathews, RHP Alan Mills and LHP Arthur Rhodes on 2-year contracts.

BOSTON—Agreed to terms with 2B Jeff Frye on 1-year contract.

DETROIT—Named Alan Trammell assistant to baseball operations. Agreed to terms with RHP Willie Blair, RHP John Rosengren, RHP Todd Jones and C Matt Walbeck on 1-year contracts.

KANSAS CITY—Agreed to terms with 1B Bob Hamelin on 1-year contract.

MILWAUKEE—Agreed to terms with 1B David Nilsson and RHP Cal Eldred on 3-year contract. Agreed to terms with OF Matt Mieske on 1-year contract.

OAKLAND—Agreed to terms with 2B Brent Gates on 1-year contract.

SEATTLE—Named Orlando Gomez manager and Steve Peck pitching coach for Everett, NL. Named Darrin Garner manager and Gary Wheelock pitching coach for Peoria, AL.

TEXAS—Agreed to terms with 3B Dean Palmer and RHP Roger Pavlik on 1-year contract.

TORONTO—Agreed to terms with OF Jacob Brumfield on 1-year contract.

NATIONAL LEAGUE

CINCINNATI—Signed RHP Hector Carrasco to 1-year contract. Named Darrell Rodgers assistant general manager, Jerry Flowers scout, and Marion Styles and Pete Young part-time scouts.

COLORADO—Signed RHP Curtis Leskanic to 1-year contract.

HOUSTON—Agreed to terms with 3B Sean Berry, C Tony Eusebio and OF James Mouton on 1-year contracts. Named Alyson Foster coordinator of publications.

LOS ANGELES—Agreed to terms with C Mike Piazza on 2-year contract.

MONTREAL—Signed OF Cliff Floyd, INF Orlando Cabrera, INF Ryan McGuire, RHP Mike Thurman, RHP Steve Fellebaum, 2B Mike Lansing and RHP Dave Veres to 1-year contracts. Invited RHP Lee Smith to training camp.

PHILADELPHIA—Agreed to terms with OF Tony Longmire on 1-year contract.

ST. LOUIS—Agreed to terms with SS Royce Clayton on 1-year contract.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

NEW JERSEY—Activated F Xavier McDaniel from injured list. Put F Reggie Williams on injured list.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

ATLANTA—Named Dan Reeves coach.

BUFFALO—Re-signed Wade Phillips, defensive coach, to multiyear contract.

CHICAGO—Named Matt Cavanaugh offensive coordinator.

ST. LOUIS—Named Dick Vermeil coach and president of football operations and signed him to 5-year contract.

TAMPA BAY—Named Richard McNerney vice president, marketing and communications and Veronica Costello vice president, sales administration.

HOCKEY

NATIONAL HOCKEY LEAGUE

NHL—Suspended Washington Capitals LW Craig Berube for two games and fined him $1,000 for slashing incident in last Wednesday's game against Ottawa.

BOSTON—Recalled G Scott Bailey from Providence, AHL. Reassigned G Evgeny Ryabchikov from Charlotte, ECHL to Providence.

BUFFALO—Returned C Wayne Primeau to Rochester, AHL.

Canedo's Death Shakes Up Soccer

By Rob Hughes
Special to the Herald Tribune

LONDON — The death of Guillermo Canedo in Mexico on Tuesday deprives world soccer of its second most influential administrator.

Canedo, senior vice president of FIFA and a lawyer who specialized in World Cup organization and television rights, was a significant presence at the world soccer federation since 1962. He headed the organization for two World Cups in his own country, in 1970 and 1986, he led the committee for the 1998 World Cup in France and he was a broker trying to soothe the diplomatic waters for a shared World Cup between Japan and South Korea in 2002.

His death, at 76, might accelerate change from Latin American rule in soccer, which will come anyway with the retirement next year of FIFA's president, Joao Havelange of Brazil. Canedo was second in command.

Lennart Johansson, president of the European confederation, was Canedo's deputy chairman in World Cup organization and would be the natural successor. But Johansson is running for the FIFA presidency in 1998.

More pressing are the delicate negotiations for 2002. Johansson had led the compromise of asking Japan and South Korea to jointly stage the tournament and, quite properly, FIFA chose as neutral a trio as possible to tackle the issues — Canedo, Antonio Matarrese and Sepp Blatter.

Matarrese has since lost the presidency of Italian soccer. Blatter has a multitude of duties overseeing day-to-day management of FIFA in Zurich.

A last impression was of Canedo's relish of life, his acceptance of the final challenge. He knew his illness was terminal, yet there was a look of almost youthful resolution about him last summer when he was asked to sort out the Japan-Korea rift. The progress so far will be a legacy.

SPORTS

For Dodgers' Piazza, $15 Million Over 2 Years

The Associated Press

LOS ANGELES — When catcher Ivan (Pudge) Rodriguez agreed to a one-year, $6.65 million contract with the Texas Rangers, it affected the lives of other people.

Catcher Mike Piazza and the Los Angeles Dodgers, for example.

"Obviously, it didn't hurt at all," Piazza said at a Dodger Stadium news conference where he was introduced as one of the highest-paid players in baseball. "We just felt like it was a barometer we could use."

Piazza avoided a potentially acrimonious arbitration hearing with the Dodgers, agreeing to a $15 million, two-year contract. The agreement came shortly after the two sides exchanged arbitration figures and less than 24 hours after Piazza's agent said he was upset with the team over the negotiations.

"I think what happened is after the Pudge's signing and after seeing where we filled our numbers, both parties realized a fair settlement was about $15 million for two years," said Dan Lozano, Piazza's agent.

Piazza, 28, was second in the National League MVP voting last season behind San Diego's Ken Caminiti. An All-Star in each of his four seasons with the Dodgers, Piazza hit .336 with 36 homers and 105 RBIs in 1996.

After having to beat out Carlos Hernandez in spring training to become the Dodgers' first-string catcher in 1993, Piazza was a unanimous selection as NL Rookie of the Year, hitting .318 with 35 homers and 112 RBIs.

He hit .319 with 24 homers and 92 RBIs in 1994 and .346 with 32 homers and 93 RBIs in 1995.

Piazza submitted a $7.65 million request, the highest ever asked for in salary arbitration, topping the $6.5 million Jack McDowell asked from the Chicago White Sox in 1994.

The Dodgers countered with an offer of $6.1 million — most by a franchise in the process until this year. Mike Mussina requested a $7.1 million salary from the Baltimore Orioles, who offered $6.55 million.

Lozano said his side called the Dodgers after the parties exchanged salary requests, and negotiations then took about an hour.

"We're very happy and I think the Dodgers are very happy," Lozano said. "Mike is ecstatic to have this done and put behind him for two years."

Piazza will earn $7 million this season and $8 million in 1998. He earned $2.7 million last season — the final year of a $4.2 million, three-year contract, and is eligible to become a free agent following the 1998 season.

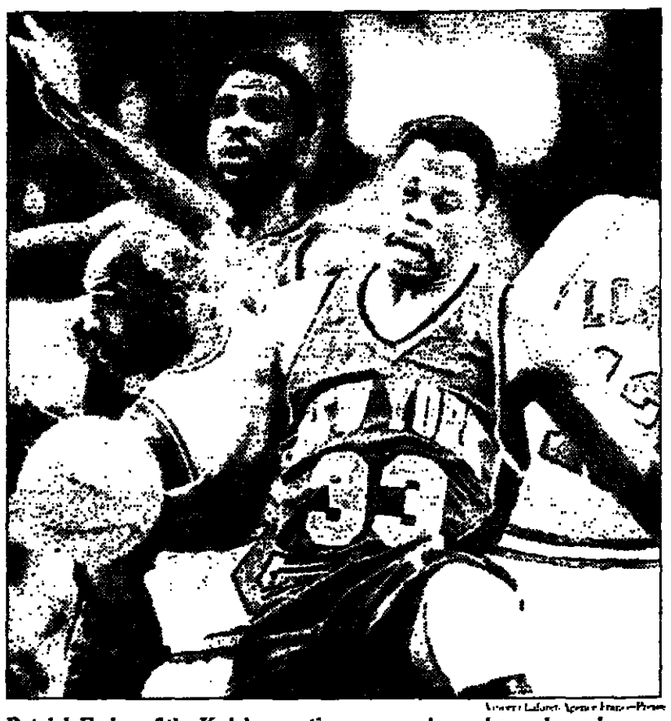
"I think it's a good deal for both sides," Piazza said of the agreement.

"Unfortunately at times, this is a business. We're still people. The money is great."

Piazza's contract is fifth in average salary behind Albert Belle ($11 million), Ken Griffey Jr. ($8.5 million), Roger Clemens ($8.25 million) and John Smoltz ($7.75 million).

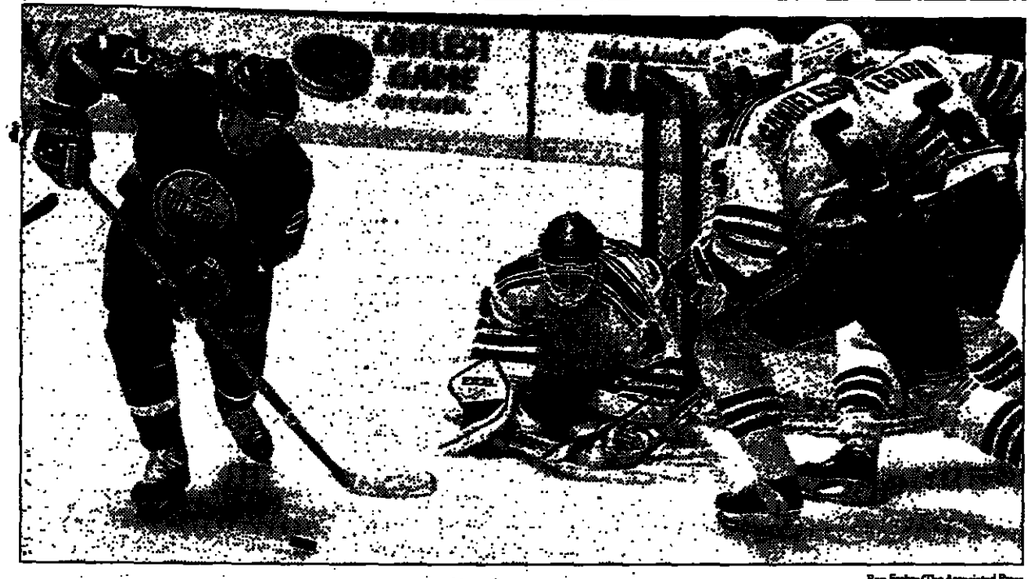
More than two dozen players settled either late Monday night or in the final hours before the union and owners swapped figures. The biggest contracts went to Milwaukee catcher Dave Nilsson ($10.8 million for three years), Texas outfielder Dean Palmer ($4.8 million) and Rangers' pitcher Roger Pavlik ($2.85 million).

Brewers' pitcher Cal Eldred settled after the exchange, with Milwaukee giving the right-hander a $9.3 million, three-year contract.



Vincent LaForet/Agence France-Presse

Patrick Ewing of the Knicks creating space as he grabs a rebound.



Ron Frehm/The Associated Press

The Oilers' wing Mariusz Czerkawski chases down a rebounding puck blocked by Glenn Healy of the Rangers.

Penguins Stretch Unbeaten Run to 14

The Associated Press

One long unbeaten streak was extended in the National Hockey League, while another one came to an end.

The Pittsburgh Penguins stretched their streak to 14 games with a 4-2 victory over the visiting Calgary Flames Tuesday night, with the rookie goalie Patrick Lalime stopping 49 shots to run his personal unbeaten string to 16.

"You just go out there and you don't know how it's going to go," said Lalime, off to the best career start of any goalie since NHL expansion in 1967. "It's just great what's happening now."

But the Colorado Avalanche's club record 12-game unbeaten streak ended in a 3-2 overtime loss at Tampa Bay. Bill Houlder scored the game-winner with 2:58 left in overtime.

Penguins 4, Flames 2 Mario Lemieux left the game with back spasms in the first period and didn't return. He was injured midway through the period when he crashed into the net after getting tied up with the Calgary defenseman Steve Chiasson.

"I don't know the extent of it," Pittsburgh's coach, Eddie Johnston, said. "Hopefully he'll be ready to go on Thursday" against Colorado.

Lightning 3, Avalanche 2 The Lightning rallied to win after trailing 2-0 heading into the third period.

Houlder's screened shot from the right point eluded the Avalanche goalie Patrick Roy for the win and extended Tampa's home unbeaten streak to six games.

Bad blood between Roy and Dino Ciccarelli, dating back to last season's Western Conference final, dominated the first period. One sequence started with the pair slashing each other near the Colorado net. After play stopped, Roy dropped his gloves and skated to the blue line after Ciccarelli.

"He punched me, and if that's his best punch he'll be in trouble some day," Roy said. Neither player received a penalty in the incident.

Flyers 3, Stars 3 In Philadelphia, Benoit Hogue's first goal in more than a month helped Dallas tie the Flyers. Hogue, who hadn't scored since Dec. 18, also had an assist for the Stars.

Jere Lehtinen and Mike Modano had the other goals for the Stars, while Dale Hawerchuk, Mikael Renberg and John LeClair scored for the Flyers.

Paul Coffey assisted on Philadelphia's first goal, moving him past Gordie Howe into second place for assists in an NHL career, with 1,050.

Oilers 4, Rangers 4 In New York, Mark Messier scored with 1:41 left in regulation time to give the Rangers a tie.

Messier took a feed from rookie Vladimir Vorobiev and beat Curtis Joseph with a slap shot for his 26th goal of the season. Brian Leetch (two goals, two assists) and Vorobiev (one goal, three assists) each had four points for the Rangers.

Ryan Smyth scored twice for the Oilers, who also got goals from Andrei Kovalenko and Miroslav Satan.

Devils 4, Kings 1 Bobby Holik set up two goals by Dave Andreychuk and scored one himself during visiting New Jersey's three-goal first period.

Martin Brodeur, who got credit for the Eastern Conference's 11-7 victory in Saturday's All-Star game, made 33 saves and nearly became the first goalie in the franchise's 23-year history to shut out the Kings. But Ian Laperriere converted a rebound of Aki Berg's shot with 6:08 to play, spoiling Brodeur's bid for his 17th career shutout.

Scott Stevens and rookie Steve Sullivan each had two assists, helping end the Kings' five-game unbeaten streak.

NHL Roundup

Ex-Lineman Wins Award Over Drugs

Los Angeles Times Service

SAN DIEGO — A federal court judge has ordered the NFL pension plan to pay Walt Sweeney, a lineman in nine Pro Bowl games, $1.8 million after agreeing with his allegation that drugs given to him by team employees left him physically and psychologically disabled.

"The NFL fed me full of drugs for years and years and years," Sweeney, 55, said after the decision Tuesday by Judge Rudi Brewster of district court. "Basically, I feel it's ruined my life."

During his career, Sweeney took copious amounts of steroids, amphetamines, codeine and Seconal, many of the doses given to him by trainers and coaches. He also smoked marijuana as a way to cope with the pressures of the win-at-any-cost attitude of the NFL.

The pension plan trustees, who have fought a two-year battle with Sweeney over the amount of his disability settlement, can appeal. Their attorney, Douglas Ell, declined to say whether they would.

Sweeney's lawyers said they felt the case could open the way for compensation for other retired players from the era when teams either endorsed or tacitly condoned the use of performance-enhancing drugs.

"There are hundreds of players in a similar situation as Walt," said Rhonda Thompson, a lawyer for Sweeney and the wife of Broderick Thompson, offensive tackle of the Denver Broncos.

Sweeney, an All-American from Syracuse, played 11 seasons as an offensive guard and special teams player with the San Diego Chargers and then two with the Washington Redskins as part of George Allen's "Over the Hill Gang." He started 154 consecutive games and says he took drugs before, during and after every one of them.

His headfirst style of play made him a favorite of fans. He played in nine Pro Bowl games and retired in 1975 after suffering a knee injury that could not be mended by surgery, therapy or more drugs.

Jordan's 51 Points Prove Too Much for the Knicks

The Associated Press

Leave it to Michael Jordan to outdo everyone else in the NBA — even on a night when several players had games that Jordan would be proud of.

Jordan's 51 points in the Chicago Bulls' 88-87 victory over the New York Knicks were the most scored on a Tuesday full of big individual performances.

Latrell Sprewell had 46 points for the Warriors, Glen Rice scored 42 and Clyde Drexler had 39 for the Hornets, and Walt Williams totaled 32 for the Raptors.

Jordan's crowning moment came when he buried a 20-foot fallaway to give the Bulls an 88-81 lead with 26.7 seconds left.

After that, the Knicks got 3-pointers from Allan Houston and Chris Childs, but it wasn't enough.

Warriors 105, Mavericks 93 In San Jose, California, Sprewell backed his career-high point total with 10 assists, six rebounds and five steals. "It was the best game I've seen him play," said Chris Mullin, who scored 18 points for the Warriors. "He dominated the game from start to finish.

Hornets 114, Rockets 108 In Charlotte, North Carolina, Rice and Drexler were trying to outdo each other as the Hornets snapped the Rockets' four-game winning streak. Rice shot 13-of-25 from the floor and 14-of-16 from the free-throw line. Drexler was 13-for-19 and 9-for-9.

Raptors 116, Timberwolves 108 In Toronto, Williams tied a club record with six 3-pointers and shot 12-of-20 from the field. The Raptors shot a season-high 55.7 percent from the field and made 12 of 20 3-point attempts.

Magic 93, Bullets 88 Rony Seikaly scored 26 points in Orlando, Florida, and Penny Hardaway had a clutch 3-pointer and layup down the stretch for the Magic. Orlando went 10-for-11 from the foul line in the fourth quarter.

Heat 94, Hawks 91 Miami, playing at home, sank 13 of 19 3-point attempts, including a pair by Tim Hardaway in the final two minutes, to snap the Hawks' 10-game winning streak.

Pacers 92, Bucks 89 In Milwaukee, Rik Smits scored a season-high 25 points, and Reggie Miller and Derrick McKey each had 14.

Trail Blazers 105, Clippers 93 In Portland, Oregon, Clifford Robinson scored 23 points and grabbed a season-high nine rebounds in leading the Blazers to their ninth victory in 11 games.

NBA Roundup

■ College Basketball

Indiana, ranked 21st, beat No. 13 Michigan, 72-70, despite the absence of its leading scorer and rebounder, Andrae Patterson, who missed the game with a knee injury.

The Hoosiers (16-4, 3-3 Big Ten) had lost three of their last four games, including a 17-point blowout at Purdue on Saturday. Patterson injured his knee in practice Monday and wasn't in uniform Tuesday night.

No. 7 Maryland 103, Penn 73 Keith Booth scored 26, and Rodney Elliott had a career-high 22 as the Terrapins (16-2) used a 20-4 second-half run to take over the game played at Baltimore Arena.

No. 9 Cincinnati 77, N.C. Charlotte 67 Danny Fortson scored 30 points and grabbed 15 rebounds, and Ruben Patterson made three big plays down the stretch for the visiting Bearcats (13-3, 3-0 Conference USA).

No. 10 Duke 70, N.C. State 55 Jeff Capel had a season-high 25 points — including seven over the final 2:27 — as the visiting Blue Devils (15-4, 4-2 Atlantic Coast Conference) beat the Wolfpack for the 12th time in their last 14 meetings.

No. 18 Colorado 74, Baylor 70 The Buffaloes (15-3, 6-0 Big 12) won their eighth straight, and it was in their first game as a ranked team in 28 years. Martice Moore, who scored 19 points, broke the game's final tie with a 3-pointer with 1:17 left that gave the visitors a 71-68 lead.

DENNIS THE MENACE

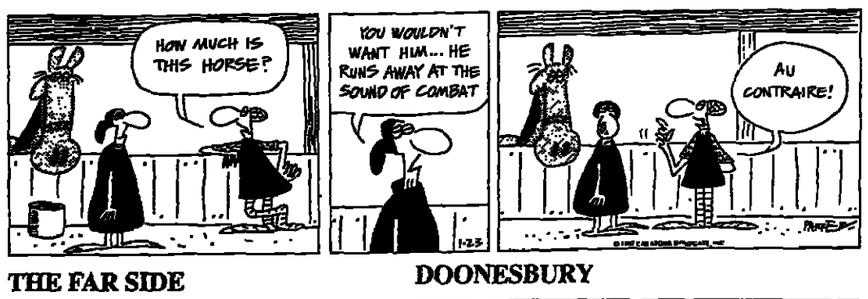
"I HAVE TO SIT HERE UNTIL MOM DROPS THE CHARGES."

PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID



JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

VALIT

UPCOE

CUBDAT

RETOAT

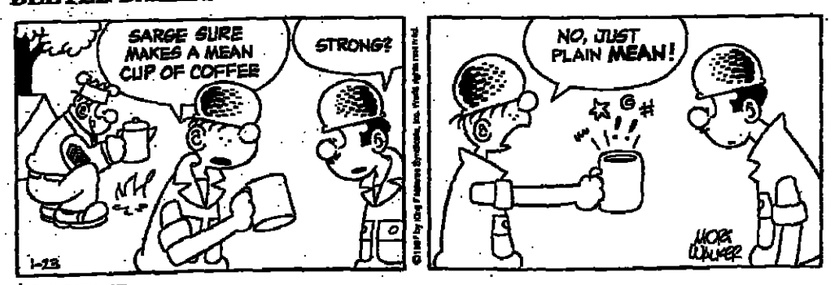
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: WITH A _____

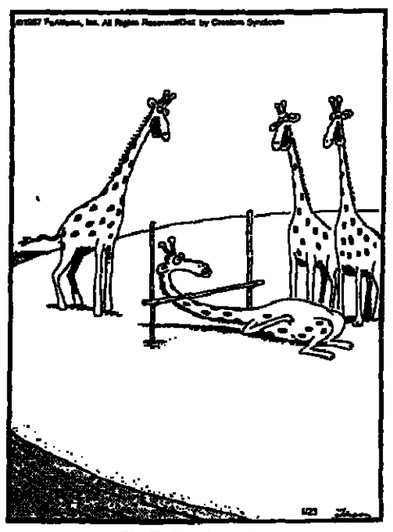
(Answers tomorrow)

Yesterday's Jumbles: AWARD CHAFE HYMNAL GYRATE
Answer: What the transplant brought the cardiac patient – A CHANGE OF HEART

BEETLE BAILEY



THE FAR SIDE



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ART BUCHWALD

Political Ins and Outs

WASHINGTON — What you saw at the inauguration the other day only did honor to the big shots — people named Clinton, Gore and Gingrich. In spite of what the commentators told you, these titled people do not run the country. Those who are really in charge weren't even in Washington that day. They were out on the side of the Beltway visiting other bureaucrats who also had the day off.

Buchwald

One of the most important people was Hal Riley. For 30 years Hal's main function has been going to meetings. As a matter of fact, it is impossible to find him during the workday because his secretary keeps telling everyone he's in a meeting.

Hal's power comes from the fact he never makes any decision during the meetings. In fact, he has a swing vote that recommends another meeting be held to discuss the decision that could not be reached at the meeting that was in progress.

□

Another power in town is Arnold Forst in the Pentagon. Arnold was the first one to come up with a square missile that could hit the enemy from Trump Tower.

So far the missile doesn't work. But nobody knows how to stop it from being manufactured. So every time the missile blows up, the Defense Department gives Arnold another medal.

Fred Boatwright is probably one of the most creative people in the country. He invented an IN box that, by turning it around, can become an OUT box. This breakthrough has made it possible for every branch of government to handle rejection of applications that have to be adjudicated by a person sitting behind a G-6 desk.

For example, if someone is applying for a Medicare hip operation, it would go to a health expert who never graduated from high school. She would put the request in her IN basket, then another person in the office would be able to turn it around so it became an OUT basket. Once in the OUT basket it could then be sent to Anchorage, Alaska, where a decision could be made.

□

The government is made up of thousands upon thousands of people like this, all of whom missed the inauguration. It is these people who make the capital function so well. Bill Clinton should have given them credit in his inauguration speech — but it wouldn't have been politically correct.

China to Impose Curbs on Nightlife

Reuters

BEIJING — China's cultural mandarins will curb the building of nightclubs and video parlors in a drive to wipe out decadent culture and ideas, the state news agency Xinhua said Wednesday.

"The cultural market can never be a hotbed for decadent ideology and culture," Xinhua quoted a senior Culture Ministry official, Meng Xiaosi, as saying.

The China Daily said the cultural clean-up drive would help China's ideological and ethical undertakings.

Genius and Madness: The Real Hero of 'Shine'

By Seth Mydans
New York Times Service

PENRITH, Australia — Shoes off, head bowed nearly to the keyboard, David Helfgott winds his way back and forth through the phrases of a Chopin prelude, singing, sighing, making buzzing noises with his mouth, talking to himself.

"Keep playing, keep playing," he murmurs, his eyes half closed. "You're playing nice now. Gentle. Gentle. La la la la. Just play every note and you'll be fine. Smile, smile, smile. Image is everything. Image is everything. At least you're playing well. If you're playing well, you can survive now, so what's this fear of the future? Zhhhhhhh."

Transported by the music, he lifts a free hand to conduct himself and smiles.

This is a recording session, and the auditorium of the Joan Sutherland Performing Arts Center is empty, but Helfgott, 49, is hardly alone. The darkened seats are populated by his ghosts, and he plays to them.

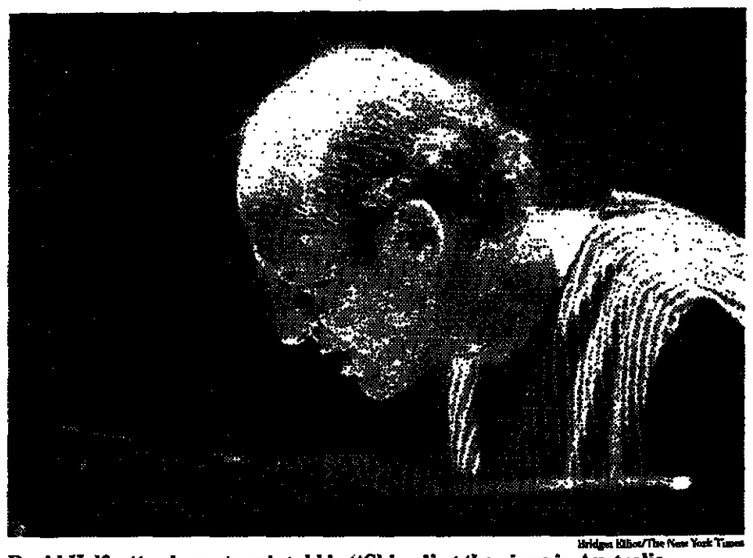
"Papachka," he says, referring to his late father, the man whose obsessive love and cruelty were inescapable elements of his upbringing, "Papachka thought it should be different. Well, they like your playing. They like your playing. This is the point, the point, the point, if there is a point."

In recent weeks Helfgott's troubled past has returned in force to transform his life. A movie about him, "Shine," is a critical hit (Geoffrey Rush, who portrays the pianist as an adult, just won the Golden Globe Award for best actor), and suddenly Helfgott is at the center of attention. He seems to love it.

He is here in the darkened auditorium, recording tracks for a second compact disc of his music, and as soon as he stops playing, he is surrounded by his manager, his piano coach, his wife and a television crew that is preparing a report in advance of an American tour beginning in March.

Helfgott has stopped playing, but he remains in motion, shuffling rapidly from one person to another like a fly bouncing from one lighted windowpane to another, hugging, kissing, chattering as he goes. "Awesome, awesome, America is awesome," he murmurs. "You'll be fine. You'll be fine. The worry's the killer; the worry's the big killer, isn't it. Don't worry. Don't worry."

Helfgott's wife and protector, Gillian, called his new popularity "a victory over the past" and said it seemed to have lifted some of the burden of pain from his shoulders.


Bridges Elliot/The New York Times
David Helfgott, whose story is told in "Shine," at the piano in Australia.

"Genius and madness," she said, describing a theme of the movie and of her husband's life. "Someone once called David a genius and he replied, 'Yes, but it doesn't come cheaply.'"

"Shine," directed by Scott Hicks, has been embraced by audiences for its deft and often humorous depiction of artistic obsession and the crushing of a psyche. As a result, Helfgott's concerts in Australia have become sellouts, and a recording of his music has climbed high on both classical and pop music charts in the United States and Britain.

On his 10-month tour, he will perform in March in Boston, New York and Los Angeles and go on to Canada, Europe and Asia.

The film is a remarkably faithful recounting of Helfgott's life: his childhood of musical accomplishment and parental cruelty; his decade in mental institutions, away from music, and his halting return to the piano, first in a wine bar in his hometown of Perth, and then, triumphantly, onstage again.

The portrayal of Helfgott by Rush, an Australian actor who is also a pianist — and who spent just five days with him — is uncannily accurate, with all its hyperkinetic warmth and self-aware humor.

"It's the greatest movie ever made," Helfgott exclaimed, delighted with the portrayal.

The crucial trauma of Helfgott's youth seems to have occurred when his father blocked an invitation from the violinist Isaac Stern for the boy to study music in the United States. When the teenage David did leave at last to study at the Royal College of Music in London, his father disowned him.

Months later, after a successful performance of his father's favorite piece, the demanding Piano Concerto No. 3 by Rachmaninoff, Helfgott suffered a mental breakdown that sent him into institutions. Doctors gave him electroshock therapy and for years forbade him to play the piano.

"I'm lucky to be alive, lucky to be alive," Helfgott said as he played at the recording session. "I've been through hell, been through hell, keep smiling, keep smiling, keep smiling. You have to remember I came from hell, I'm going to heaven. Dad's in heaven, but he's proud."

What was his father like?

"Well, my daddy was different from any other man in the world," Helfgott said. "Dad can't help it, Dad can't help it. He was demanding, but the point was, keep to the point, keep to the point, I should say that Dad was very demanding and cruel, cruel, cruel."

In her book about their relationship, "Love You to Bits and Pieces," now being released by Penguin in the United States, Mrs. Helfgott describes her husband's life in what he calls the "heaven" of their rural home in Promised Land, two hours northwest of Sydney, where she said he plays the piano at least six hours a day.

His pleasures away from the piano include swimming in their large pool, and traffic jams, which, to the amusement of his wife and friends, he adores.

"I love traffic; I love traffic," he said the other day as Mrs. Helfgott, an astrologer 15 years his senior, drove him to the recording session. "Traffic is very important, and it shouldn't be ignored," he said. "You have to be alert, because there's a pattern in the traffic and it helps you to concentrate and to relax. It's very important to enjoy the journey."

Helfgott remains on a medication called Seranace for a psychological disorder that doctors have found difficult to name. "He is not schizophrenic or manic-depressive," Mrs. Helfgott said. "He is never depressed. He's just a delightful eccentric."

To polish his playing and help keep him focused at the piano, Helfgott meets regularly with a piano coach, Mikhail Solovei, who heads the department of piano at the Melba Conservatorium in Melbourne.

"I have never seen anything like this in my life," said Solovei, who spent years as a concert pianist in Russia. "After the movie, everyone wants to hear him, everyone wants to see him. It's something enormous."

The intimate mood of the movie seems to have created a sense of personal involvement in his audiences, Mrs. Helfgott said.

"Some people like to sit in the front row, and if they can catch some of what he says, they get quite excited," she said.

One listener recalled with delight a concert at which Helfgott paused briefly as he played, muttered, "Here comes a hard part," and plunged ahead.

For all his obvious pain and fragility, it is another rare quality that draws people to him: his childlike warmth and affection.

"He is absolutely lovable, though very fragile, that's true," said Solovei. "I would say he is a happy character. Maybe not all the way down; maybe some way down is the tragedy. Sometimes for no reason, sometimes he can start crying. But it goes away very quickly. The happiness is not a fake. He really has this very charming personality."

BOOKS FOR COOKS

The Proof of the Pudding Is in the Reading

By Suzanne Hamlin
New York Times Service

NEW YORK — They devour cookbooks the way murder-mystery fans go through Sue Grafton or Elmore Leonard and military mavens scoop up Tom Clancy. Some cannot resist taking the latest cookbook into the kitchen to see what promises it will keep. Others just read and dream, letting their minds do the measuring and mixing, the greasing and grilling, the slicing and sautéing.

"I can't even pass by a cookbook without picking it up, fondling it and cooking from it in my head," said Pat Adrian, who, as editorial director of the cookbook divisions of the Book-of-the-Month Club, oversees the largest cookbook club in the world.

Like her colleagues in the book business, Adrian is committed to a genre in which, she says, "learning never stops." There is no shortage of learning in this small but expanding part of the publishing industry. And the subjects, from healthy meals to haute cuisine, are as diverse as the page-staining public.

This publishing season, for example, just when eaters thought it might be safe to go back to meat and potatoes or at least to the moderate zone, along came a crop of books dealing with low-fat, lower-fat and no-fat foods. Balanced of course, by books offering full-fat recipes and idyllic accounts of French farmhouse life.

In 1995, the last year for which figures are available, an estimated 400 hardcover and soft-cover cookbooks were introduced by mainstream publishers in the United States, adding to the large pool of back titles still in print, according to the American Booksellers Association, an industry group that represents 4,300 retail bookstores. The 400 titles do not include several hundred self-published books and community cookbooks from garden clubs, historical societies and nonprofit groups, all of which, while hard to track, add to the avalanche.

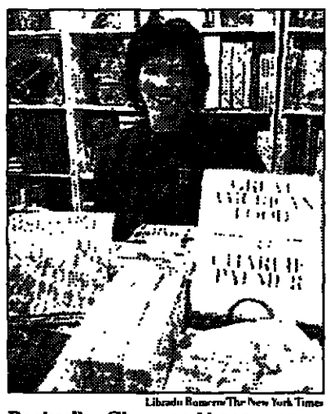
Sales of mainstream cookbooks in the United States totaled nearly $42 million in 1995, or 4.1 percent of total book sales (fiction accounted for 50 percent of sales), the booksellers' group said. That was down $3 million from 1994, the peak year for cookbook sales, it said. But several book editors and sellers said that the 1994 figure had been helped by the sale of 8 million copies of "In the Kitchen With Rosie" (Alfred A. Knopf), a low-fat diet book by Rosie Daly, who was Oprah Winfrey's cook.

Buyers are becoming younger. "For years, the highest number of cookbook buyers was always in the 55-to-64 group," said Sandy Paul, managing agent of the Book Industry Study Group, a nonprofit group based in Manhattan. "In 1993, the 40-to-44-year-old group started to catch up. Now, they're tied."

So, where are the other segments of the cooking and reading public — people 45 to 54, not to mention those in their 20s or 30s or 65 or older?

"Not in this store," said Ellen Rose, the owner of the Cook's Library in Los Angeles, a cookbooks-only store that stocks 3,000 titles. Rose says she is one of her own best customers. The only way she can unwind from a day of matching up customers and books, she says, is to go home and cook — from a book.

"For me, the recipes have to work," she said. "Books should be written so people can cook successfully."


Libardo Romero/The New York Times
Bookseller Cheng and her wares.

But Nach Waxman, an owner of Kitchen Arts and Letters in Manhattan, puts less emphasis on recipes. "What I want is a book that enlarges the sphere of knowledge somehow," he said. "There are great books like Paula Wolfert's that make a real contribution to anthropological research and books that explain new ingredients or techniques. And there are very personal books, like Bert Greene's, that are so full of vigor and joy and energy, I get a kick every time I open them." (The book, "Greene on Greens," was published by Workman in 1988.)

Rose hires cooks to test new books so that customers can sample dishes. "It's a pretty direct way of making a decision," she said.

Lydia Cheng, owner of Books for Cooks, a mail-order catalogue company with access to 3,000 titles, recently began selling cookbooks at a Manhattan kitchenware store. "I'm not really a cook; I'm a professional eater," said Cheng, whose husband, Nick Staskiewicz, is a chef, as are many of her customers.

"Chefs like highly visual books, with lots of great color photographs," she said. "They don't cook from them as much as they use them for ideas."

For those permanently seduced by cookbooks, the good news is that more are on the way. The category is nowhere near the saturation point, editors and sellers say.

What titles would sellers like to see? Rose said there is not a comprehensive beginner's book with photos, by a respected cook. "Or a really good book on braising, which you can do ahead of time," she said.

Adrian, who picks books for the Book-of-the-Month Club based on her preferences and readers' requests, said: "We still need a shrimp cookbook. Like chicken, you can do anything with shrimp. And a yummy pressure-cooker book with meat, not just vegetables. And definitely, a book of one-pot protein meals."

Taylor cited a need for "more ethnic books, particularly on Latin American food," an idea strongly echoed by Waxman.

PEOPLE

SHE was the ultimate Cosmo girl for 32 years, but now **Helen Gurley Brown** is making way for a new generation. The venerable editor-in-chief of Cosmopolitan stepped down with the February issue and was succeeded by **Bonnie Fuller**, a 40-year-old Canadian who successfully launched the American edition of the fashion and beauty magazine Marie Claire. Fuller promises to maintain the magazine's emphasis on practical advice on relationships, work, fashion, health, beauty and sex. But the look is being freshened, and Fuller appears determined to bring a new edge to Cosmo's articles, with pieces on HIV and sexual harassment in the works. One Brown tradition is already out: "No centerfolds," Fuller said firmly when asked the fate of Brown's male pinups. The February issue features two, for a total of six since **Burt Reynolds** posed in 1972. Brown, 74, will continue to oversee the magazine's 29 international editions. Under her leadership, Cosmopolitan became the best-selling women's magazine in the world.

Marty Lederhandler/The Associated Press
Helen Gurley Brown of Cosmo.

□

Women's Wear Daily announced Wednesday that **John Fairchild**, its legendary chairman, would step down in March on his 70th birthday, although he will continue to write his column. He will be succeeded by **Patrick McCarthy**, who is currently executive editor of Fairchild Publications and is in Paris covering the couture shows. Fairchild, whose acerbic critiques put the once trade-only paper on the map, is known for coining some catchy phrases, among them "fashion victim" to describe women wearing overelaborate designer ensembles, and "nouvelle society" to describe the New Rich in New York in the 1980s.

□

The Nobel Prize-winning poet **Seamus Heaney** has won the Whitbread Book of the Year Award for "The Spirit Level," his first collection of poems for five years. "Other poets admire him to the level of idolatry," said the writer **Malcolm Bradbury**, chairman of the Whitbread judging panel. "He is the poet of poets." Over three decades, Heaney has built a reputation as the English language's greatest living poet, reflecting the wild beauty of Ireland and passionate contradictions of his native Northern Ireland. He won the Nobel literature prize in 1995. The Whitbread, Britain's richest literary prize, includes a cash award of £21,000 ($33,000).

□

Unesco awarded its 1996 peace prize Wednesday to two Guatemalans — **President Alvaro Arzu** and the rebel leader **Rolando Moran** — for signing an accord ending decades of bloodshed in the Central American state. **Henry Kissinger**, the former U.S. secretary of state, who presided the jury at Unesco's Paris headquarters, described the dual award as "an unprecedented step" to honor the men for agreeing to end the 36-year civil war, in which 140,000 people died or "disappeared." The Felix Houphouet-Boigny peace prize is worth 800,000 francs ($145,000), to be shared between the two men.

□

The former British pop star **Cat Stevens**, who converted to Islam and gave up his music career in the 1970s, says he plans to produce a recording of Bosnian music with two songs written by himself. Stevens, who now calls himself **Yusuf Islam**, told a news conference in Sarajevo that he was impressed with music he heard while in Bosnia. The album would mark his first venture into songwriting and singing in 18 years.

□

Five directors have been nominated by the Directors Guild of America as candidates for top honors at its 49th annual awards ceremony, to be held March 8. The nominees are **Anthony Minghella** for "The English Patient"; **Joel Coen** for "Fargo"; **Cameron Crowe** for "Jerry Maguire"; **Mike Leigh** for "Secrets & Lies"; and **Scott Hicks** for "Shine." Left off the list was **Milos Forman**, who won the Golden Globe Award for directing "The People vs. Larry Flynt." The Directors Guild honors generally have been an accurate barometer for the Oscars. Only four times since 1949 has the winner of the guild's award for directorial achievement failed to win the Academy Award for best director.

□

Robert Reich is putting students first again. The former secretary of labor will become a professor at Brandeis University's Graduate School for Advanced Studies in Social Welfare, which offers courses on policy areas including health, families and labor. Reich, 50, was on the faculty at Harvard before the 1992 presidential election and helped write "Putting People First," a book in which the future president charted his economic strategy for the nation.

□

More than 30 years after surviving a harrowing battle as a soldier in Vietnam, the ABC News correspondent **Jack Smith** has been honored with a Bronze Star. In a ceremony in ABC's newsroom, **Brigadier General Hank Thorpe** pinned the medal on Smith, 51, who was wounded in both legs during the Battle of Ia Drang Valley in 1965. Smith, presumed dead, was used by an enemy soldier as a shield. While he pondered whether to jump away and risk being shot by the North Vietnamese, Smith said, American troops fired, missing him but killing the enemy soldier.

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